



Restructuring SADC – Progress and Problems

Jan Isaksen

R 2002: 15

Restructuring SADC – Progress and Problems

Jan Isaksen

Report R 2002: 15



Chr. Michelsen Institute *Development Studies and Human Rights*

CMI Reports

This series can be ordered from:

Chr Michelsen Institute
PO Box 6033 Postterminalen,
N-5892 Bergen, Norway
Tel: + 47 55 57 40 00
Fax: + 47 55 57 41 66
E-mail: cmi@cmi.no
<http://www.cmi.no>

Price: NOK 90 + postage

ISSN 0805-505X

ISBN 82-8062-033-8

Indexing terms

Regional integration
Development aid
Civil Society
Democratisation
Trade agreements
SADC
Southern Africa

Contents

EXECUTIVE SUMMARY	I
ACRONYMS AND ABBREVIATIONS	IX
PREFACE	XII
1 FORMING THE RESTRUCTURED SADC	1
1.1 BACKGROUND.....	1
1.2 AMENDMENT OF THE TREATY.....	2
1.3 SADC NATIONAL COMMITTEES.....	3
1.4 THE REGIONAL INDICATIVE STRATEGIC DEVELOPMENT PLAN (RISDP).....	5
1.5 PHASING OUT COMMISSIONS AND SCUS, BUILDING UP THE SADC HQ.....	7
<i>Trade, Industry, Finance and Investment Cluster</i>	8
<i>Food, Agriculture and Natural Resources Cluster</i>	10
<i>Infrastructure and Energy Cluster</i>	10
<i>Social and Human Development and Special Programmes Cluster</i>	11
<i>Problems with the phase-out of SCUs</i>	11
<i>Study on SADC Organisational Structure</i>	12
<i>Staff development and training</i>	13
1.6 FINANCING AND DONORS	13
1.7 PROGRESS ON SUBSTANTIVE ISSUES	16
<i>The Regional Food Crisis</i>	16
<i>The Free Trade Area</i>	17
<i>Competition regulation</i>	20
<i>Trade in services</i>	20
<i>EU relations</i>	20
<i>Memoranda of Understanding for “Macro-economic Convergence” and “Co-operation in Taxation and Related Matters”</i>	22
<i>Signature and ratification of protocols</i>	26
1.8 FUTURE CHALLENGES OF RESTRUCTURING.....	26
2 REVITALISING THE SADC ORGAN? PROSPECTS FOR CONFLICT MANAGEMENT AND SECURITY CO-OPERATION	29
2.1 OPERATIONALISING THE SADC ORGAN	29
2.2 THE ZIMBABWE CRISIS, SADC AND SOUTH AFRICA.....	32
2.3 FUTURE PROSPECTS	36
3 SADC AND CONTINENTAL DEVELOPMENT EFFORTS: AU / NEPAD	38
3.1 FROM OAU TO AU.....	39
3.2 EMERGENCE OF NEPAD.....	43
3.3 SADC’S RELATION TO AU AND NEPAD.....	50
4 MAKING SADC WORK? THE ROLE OF NON-STATE ACTORS IN REGIONAL CO-OPERATION	56
4.1 A REGIONAL CIVIL SOCIETY – AN OVERVIEW.....	57
4.2 SECTOR NETWORKS AND ORGANISATIONS.....	59
<i>Monitoring SADC</i>	59
<i>Sector Networks</i>	61
<i>Education and training</i>	62
4.3 WHAT ROLE FOR NON-STATE ACTORS?	62
5 CONCLUSIONS AND RECOMMENDATIONS	64
5.1 CHALLENGES FOR SADC.....	64
5.2 IMPLICATIONS FOR NORWEGIAN SUPPORT.....	66
ANNEX 1: LIST OF PERSONS INTERVIEWED	69
ANNEX 2: TERMS OF REFERENCE	75
ANNEX TABLES AND FIGURES	76
ANNEX TABLE 1: STATUS OF LAUNCH OF SNCs	77
ANNEX TABLE 3: SUMMARY OF PROJECTS AND INITIATIVES FOR THE NEPAD SHORT-TERM ACTION PLAN.....	79
ANNEX TABLE 4: SADC PROTOCOLS SIGNED AND RATIFIED.....	82
ANNEX FIGURE 1: THE NEW SADC STRUCTURE.....	83

Executive Summary

This study was commissioned by the Norwegian Agency for Development Co-operation (NORAD). It is a follow up to “*Assessing the Restructuring of SADC – Positions, Policies and Progress*. Chr Michelsen Institute (CMI Report R2001). Data and documentation for the study were collected from Botswana, South Africa, Namibia, Malawi, Mozambique and Zimbabwe in the period 3 June to 7 August 2002, during which time the team interviewed more than 110 officials and stakeholders.

The study examines the status of SADC’s restructuring exercise as at June/July 2002. In addition, it reviews SADC’s relation to continental initiatives like NEPAD and AU, SADC’s engagement in the Zimbabwe crisis and finally the role of non-state actors in regional co-operation and integration. More information on and analysis of the background for the restructuring and developments to September 2001 may be found in the 2001 SADC Report referred to above¹.

Status of restructuring

The study finds that support for the restructuring process among members has not weakened. Whether problems of support may arise in the future will partly depend on the success of restructuring and progress on substance. On several counts there has, however, been slippage compared to the quite optimistic timetable set in early 2001 by the “Report on the Review of Operations of SADC Institutions”, below called the review of operations report.

Most changes in governing structures have been implemented. Council and Summit meetings have been held regularly. The Organ was established as a part of SADC structures in 2001. The first meeting of the Integrated Council of Ministers (ICM) had, however, not yet been held by August 2002. ICM is a new feature of SADC governance, which is aimed at improving support to the Secretariat and reducing the number of ministerial level meetings.

The review of operations report proposed that SADC National Committees (SNCs) be set up. They were to form links between member states and SADC. They would comprise government representatives as well as representatives from the private sector and civil society. By June 2002 SNCs were reported to have been established in all but three countries. The study found, however, that few, if any, were functioning. Indeed in some countries they were unknown even by persons associated with SADC. One important function that SNCs could not perform was the co-ordination of inputs for the development of the Regional Indicative Strategic Development Plan (RISDP).

¹ J. Isaksen and N. Tjønneland, *Assessing the Restructuring of SADC – Positions, Policies and Progress*. Chr Michelsen Institute Report R 2001:6

The purpose of the RISDP is to provide member states, SADC institutions and key stakeholders with a coherent and comprehensive development framework for the operationalisation of SADC's Common Agenda and Strategic Priorities over the next decade with clear targets and time frames. The timetable as at June 2002 aimed at the completion of an interim report and presentation of a draft to the ICM in August and to a Council meeting in November. The ICM meeting was later postponed and the status of the RISDP is uncertain.

The review of operations report proposed a study of SADC's organisational structure which would determine staffing requirements, functions, responsibilities and reporting lines, as well as grading and salary scales for the restructured SADC Secretariat. Uncertainty over the modalities of conducting the study, which should have been finalised by the end of 2001, led to delays. In June 2002 consultants had been shortlisted and it was expected that selection would be made for the study to start in July/August 2002. It is not likely that final decisions on the results of the study will be taken before the early 2003 meetings of Council and Summit, after which recruitment may commence.

A key feature of the restructuring was the closure of the 21 Sectoral Co-ordination Units (SCUs) and Commissions that were central to the old organisation. These entities were located in member states. Units were funded nationally and Commissions through SADC. They were engaged in both sectoral policies and operational work in the respective sectors. Upon closure, their policy and planning functions were to be transferred to SADC HQ in Gaborone and incorporated in one of the four Directorates² of SADC. There has been progress in this aspect of restructuring. A number of the Units, which largely dealt with national projects, constituting some 80% of all SADC projects, could relatively easily be closed down. Because Units and Commissions dealt with both policy and operational issues whereas the new Directorates are supposed to focus on policy and planning, problems occurred in some instances. A few operational issues, which could have been left "hanging" when Units or Commissions were closed down, have had to be dealt with *ad hoc*. In some cases operational tasks have been left temporarily to Unit/Commission. The Southern African Transport and Communications Commission (SATCC), for instance, appears to be functioning much as before. In one case, operational activities were to be outsourced. In the case of Marine Fisheries (Namibia), it has been proposed to set up an operational agency.

In the new structure, four new directorates at SADC headquarters will perform sectoral policy and strategy functions. Up to July 2002, two of the Directorates had been launched according to the timetable. It is likely that the two to follow will be formally launched at the planned time. The process of building Directorates to full strength has been hampered since the Secretariat has no basis for employing people in permanent posts before the organisational study has been concluded. The interim solution chosen at the

² The Directorate for Trade, Industry, Finance and Investment (TIFI), the Directorate for Food, Agriculture and Natural Resources (FANR), the Directorate for Infrastructure and Services and the Directorate for Social and Human Development and Special Programmes.

outset was to staff the Secretariat with seconded personnel from member states for a certain period. Expecting delays in final recruitment beyond this period, the Secretariat contacted Member States and has received promises from most, if not all, that they will extend the arrangements for an appropriate time.

There appears to be some tendency to *bureaucratisation* of the Secretariat. Circumstantial evidence indicates that bureaucratic tactics of delay and evasion of responsibility may be on the increase. The review of operations report saw staff training and development as part of the implementation of the restructuring exercise. In view of the danger of bureaucratisation, training ought to be initiated at an early stage but has understandably not been given much attention in the present situation where permanent staff have not been recruited.

A new formula for membership contributions has been approved. The formula will be applied from the 2003/04 budget year and is based on the GDP of member states but includes cut-off points so that no state (except Seychelles) pays less than 5% of the total budget and none more than 20%. A budget for 2002/03 has been approved. More work has been done on a self-financing mechanism, a Regional Development Fund and arrangements for private sector stakeholder participation in regional projects.

With regard to donor funding, a “mini” conference for International Co-operating Partners (ICPs) has been held and a limited range of needs presented by SADC. Although donors seemed very enthusiastic in their support of the activities proposed, SADC has not as yet responded in a general way. In a subsequent communication with the Secretariat a group of core donors “signalled their willingness to work in a far more co-ordinated way than hitherto to ensure effective, flexible joined up assistance to SADC in a timely and transparent manner”. The formation of this group is encouraging. In future, it may develop towards the adoption of some form of “basket funding” for SADC, although it seems a remote possibility at present.

Progress in substantive areas

The report points out that while slips in the timetable are not critical in the short run, both member states and ICPs may lose enthusiasm if delays continue unchecked. Despite all staff shortages and the administrative turbulence caused by the restructuring exercise, over the last year SADC moved perceptibly forward on substantive issues. Some initiatives and results are mentioned below:

SADC took an early initiative for humanitarian assistance to deal with the emerging *food crisis* in the region.

The *Free Trade Area* (FTA) is under development. Agreement has been achieved on a major part of the Rules of Origin. So far, no country has sought recourse to the formal dispute settlement mechanism. The team received some reports of problems but most of them have been sorted out bilaterally.

The more fundamental problem of the FTA is that members of the same trading group span many income levels and stages of development. Reflections of these problems have come up in discussions between South Africa, the BLNS³ and the poorest group, the MMTZ⁴, but cannot be said to be critical issues at the present stage. Preparatory work is taking place to document all relevant national legislation relating to trade in services. In the related field of competition regulation, work on model legislation is under way.

Negotiations with the EU over the establishment of an *Economic Partnership Agreement (EPA)* will start in September 2002. This type of agreement will have to be in place to make trade relations between EU and SADC countries compatible with WTO rules. The existence of several overlapping integration and trading groups in southern and eastern African area will make it difficult for the EU to form an EPA with one of the groups without involving the others. This may perhaps pull in the direction of a greater eastern and southern African EPA where SADC, COMESA and EAC become sub-sets. Such a development might change the future dynamics of regional integration in southern Africa.

The report points out that the recent agreement and signing of Memoranda of Understanding (MOUs) for the areas of “*Macroeconomic Convergence*” and “*Co-operation in Taxation*” are important beginnings. The MOUs are meant to become part of a future macroeconomic harmonisation protocol, which together with the Trade Protocol will constitute the two main pillars in SADC’s economic integration strategy.

The SADC Organ

Considering the Organ for Politics, Peace and Stability, the study finds that a good measure of progress has been made. Work has been done to establish procedures and mechanisms for intervention. A strategic Indicative Plan for the Interstate Politics and Diplomacy Committee (ISPDC), which was established in May 2002, should be submitted to the SADC Summit during the second half of 2002. Under the auspices of the Interstate Defence and Security Committee (ISDSC) a mutual defence pact has been drafted for submission to the Summit. However the Organ still lacks operative policies, financial resources and operational capacity. Further work on policy development in the areas of operation is likely to reflect NEPAD and its effort to develop an approach to governance, conflict management and enforcement mechanisms.

With reference to Zimbabwe, the report points out that principles and policies in the subject area of the Organ do not easily translate into implementation and politics. A SADC task team led by President Muluzi started off in September 2001 by publicly critiquing one of its member states for the first time in the history of SADC. The intervention had little impact and there was virtually no diplomatic follow-up. The study argues that it is difficult to escape the conclusion that SADC has not sufficiently pursued the issue of governance and human rights since it began to address the Zimbabwe situation. The

³ Botswana, Lesotho, Namibia, Swaziland

⁴ Malawi, Mozambique, Tanzania and Zambia

perceived need for maintaining stability in the region and the existence of solidarity bonds between some of the region's leaders has prevailed.

Continental organisations – AU and NEPAD

The launch of the AU and the emergence of NEPAD have to some extent clarified the continental setting for the African Regional Economic Communities (RECs), among them SADC. There is widespread agreement that NEPAD is a *framework* and *process* of the African Union. The study shows that during the two years before the G8 summit at Kananaskis and the first AU summit at Durban there were considerable consultations between the two parallel movements that led respectively to NEPAD and the transition from OAU to AU.

The report examines relations between SADC, NEPAD and AU/AEC. Both NEPAD and the AU/AEC consider regional economic communities like SADC to be their essential building blocs. SADC countries have representation at the top level of both AU and NEPAD. Each of the RECs will be represented in the AU Commission by two Commissioners. Some RECs, including SADC, have also established protocols with the AEC. In the short run, it is, however, not likely that the links between SADC, NEPAD and AU will be intensively used since they all will have to concentrate on settling internal and organisational matters.

It is likely that in various ways SADC will influence and be influenced by NEPAD. SADC would take NEPAD into account during the ongoing restructuring. There will be a need for regional/continental co-ordination mechanisms if and when the NEPAD infrastructure programme, based on regional projects, takes off. SADC's MOU on Macroeconomic Convergence contains a peer review mechanism, which in some respects overlaps with the African Peer Review Mechanism (APRM) of NEPAD and a need for co-ordination may arise. The report also considers to what degree REC members' ability to draw ODA and other resources through NEPAD might, by association, be negatively affected by a "rogue" member of the REC.

Role of Non-State Actors

The report examines the role of non-state actors in regional co-operation and integration. SADC is, by its treaty, committed to "co-operate with and support the initiatives of the peoples of the region and NGOs". Of the 17 000 NGOs in the region (10 000 in South Africa), there is only a small minority that has a regional or international network. The umbrella body, SADC-CNGO, which operates in the interim with very limited resources and staff from Gaborone, is likely to sign a MOU as specified in the SADC Treaty. Among the NGOs there is a number of research institutions that see their responsibility as being in monitoring and analysing SADC as well as in researching regional co-operation/integration generally. The greater group of NGOs are probably the sectoral networks that are active in such diverse sectors as human rights, media, agriculture, gender issues etc. A number of NGO are also active in training and capacity building.

The study points out that NGOs may not be involved in regional matters as much as they could be because they are generally weak and unaware of the change in SADC's policy towards NGOs. There are, however, examples showing that NGOs have had substantial impact on SADC. Some NGOs with regional links perform services and engage in advocacy at the regional level but most of them have no regional links and concentrate their activities at the *national* level. They may, however, potentially play a significant role in guarding the maintenance of SADC norms and standards.

Conclusions

The study finds that the conclusions drawn in the earlier study are still valid. Development and events in the region in the past year, however, warrant comments and a few additional points.

The most important challenge for SADC in the near term is still the completion of the institutional restructuring process. The delay in starting the study of SADC's organisational structure has slowed down the pace of progress in building the Secretariat's capacity, thereby also retarding progress in implementing SADC's protocols. Delay in making SNCs function means that the visibility of SADC at the national level and therefore the popular sense of ownership are negatively affected.

The study argues that the preparation of the RISDP had been allotted insufficient time and resources at the outset. The plan is vital for creating consensus between member states at the level of strategy and implementation as well as to communicate SADC's plans to all stakeholders. The little information that was available about the RISDP indicated that the framework was academically well conceived, but relatively little attention had been given to the planning *process*, consensus making and inputs from member states and civil society.

Concerning NEPAD and AU, it is pointed out that the G8 Kananaskis summit and the Durban summit of the AU rendered some clarity about the relations between SADC and these continental organisations in the short run. This is not likely to lead to very active relations in the near future.

Despite notable progress in developing a common approach to the Organ for Politics, Defence and Security and its area of operation, further build-up of the Organ should remain an important focus for SADC.

The study raises the question of what are the driving forces behind SADC. South Africa and Zimbabwe have to some extent fuelled the "political engine" of SADC but there are signs that fear of criticism from the other countries for "taking over" SADC may make South Africa less active. The report states that unless an alliance of member states takes a strong interest in driving SADC, there is a danger that the organisation will be left politically unguided to the detriment of its attention to crises and development problems in the region.

Although most of the NGOs and other non-state actors in the region are quite weak, they are doing work in parallel with SADC in many fields. Constructive

co-operation between SADC and these organisations and providing them with support will strengthen the machinery for implementation of co-operation and integration.

Whereas there is progress in the development of the FTA, some fundamental problems related to differences in levels and structures between the SADC economies are still present. The thorny issue of distribution of benefits from integration has not been dealt with.

The report points to important perspectives for the imminent negotiations on an Economic Partnership Agreement (EPA) with the European Union. The prospect of a greater Southern and Eastern African EPA, subdivided into three of four of the present regional organisations, is considerable, and so are the political and technical questions to be negotiated and solved.

Norwegian Support to SADC

Norwegian support to SADC was briefly examined in the CMI 2001 report referred to above. The conclusions still stand, but the present report elaborates some of the points.

To help speed up the restructuring process, the report recommends considering the possibility of a “slush fund”. Under such an approach, SADC would indicate total unspecified needs within the broad area of institutional restructuring for a period of 2-3 years. Disbursement would take place with a minimum of formality through a well functioning link with the Harare Embassy. The conclusions of the Mini donor meeting pointed to a number of needs for support that could be handled within such a mechanism.

It is recommended that in the near term Norway should consider sectoral aspects of its longer-term support to SADC:

- (a) there appears to be little doubt that Norway has world class expertise and technology in the *energy* sector. Norway should as soon as possible communicate with SADC and other relevant regional organisations to initiate a discussion of how Norwegian expertise and funding may be applied within the sector.
- (b) SADC has made bold attempts to address political, peace and security issues and to establish procedures of operation. Norway should, at an early stage, consider how the Organ may be supported and initiate a discussion about this with SADC.
- (c) The study finds that Norway should seek to support NGOs with good potential to promote the acceleration of regional integration.

If Norway decides to step up its support for regional integration, it will be a matter of working with several organisations in the region, be they connected to SADC or free-standing non-state actors. The requirements for Norwegian aid management in the region will by far surpass present capacity. It will be

necessary to consider how to strengthen management regionally and in the NORAD HQ as well as to improve co-ordination between them.

It is recommended that Norway seek an active role in the core ICP group formed after the mini donor meeting in February 2002. The fact that the RISDP is unlikely to form the basis for the conference with the ICPs in October 2002 requires a different format for the conference than what was initially planned.

In the short term, with implementation mechanisms both in SADC, AU and NEPAD at a nascent stage, the scope for donor support to regional projects within a specific continental context is small. The infrastructure, water and energy sectors are, however, areas where in the longer run NORAD will have to consider the continental aspects of future support to SADC.

Acronyms and Abbreviations

AAC	African Accounting Council
ABES	African Bureau for Educational Sciences
ACP	African, Caribbean and Pacific
ADB	African Development Bank
AEC	African Economic Community
AFCAC	African Civil Aviation Commission
AFRA	African Regional Co-operative Agreement for Research and Development
AFREC	African Energy Commission
AGOA	US African Growth and Opportunity Act
AMU	Arab Maghreb Union
ANC	African National Congress
ANWFZ	African Nuclear Weapons Free Zone Treaty (a.k.a. Treaty of Pelindaba)
ARIPO	African Regional Industrial Property Organisation
ASCCI	Association of SADC Chambers of Commerce and Industry
ATU	African Telecommunications Union
AU	African Union
AUDTF	African Union Development Trust Fund
BIDPA	Botswana Institute for Development Policy and Analysis
BLNS	Botswana, Lesotho, Namibia, Swaziland
CEMAC	Central African Economic and Monetary Community
CEPLG	Economic Community of the Great Lakes States
CEP	Communicating the Development Programme
CET	Common External Tariff
CMI	Chr. Michelsen Institute
COMESA	Common Market for Eastern and Southern Africa
COMESSA	Sahel and Saharan States Community (Communauté Economique des Etats Sahelo-Sahariens)
COPAX	Council for Peace and Security in Central Africa
CSSDCA	Conference on Security, Stability, Development and Co-operation in Africa
CWD	Committee on Women and Development (under UNECA)
DRC	Democratic Republic of Congo
EAC	East African Community
EBA	Everything But Arms
ECA	Economic Commission for Africa
ECCAS	Economic Community of Central African States
ECOMOG	ECOWAS Peace Monitoring Group
ECOSOCC	Economic, Social and Cultural Council
ECOWAS	Economic Community of West African States
EPA	Economic Partnership Agreement
EU	European Union
FANR	SADC Food Security and Rural Development Hub
FISCU	Finance and Investment Co-ordination Unit
FTA	Free Trade Area
G8	Group of Eight. (Leaders of Canada, France, Germany, Italy, Japan, Russia, UK, US. The European Union also participates and is represented by the president of the European Council and the President of the European Commission.)
GAD	Gender and Development
GDP	Gross Domestic Product
GSP	Generalised System of Preferences
HIPC	Highly Indebted Poor Countries
HIV/AIDS	Human Immunodeficiency Virus / Acquired Immunodeficiency Syndrome
HSIC	Heads of State and Government Implementation Committee (NEPAD)
ICM	SADC Integrated Committee of Ministers
IGAD	Intergovernmental Authority on Development

IGAD HYCOS	The IGAD Hydrological Cycles Observation System
IGADD	Intergovernmental Authority on Drought and Development
IGD	Institute for Global Dialogue
ISDSC	SADC Inter-State Defence and Security Committee
ISPDC	SADC Inter-State Politics and Diplomacy Committee
ITU	International Telecommunication Union
IUCN	International Union for Conservation of Nature and Natural Resources
LDC	Less Developed Country
MDC	Movement for Democratic Change
MMTZ	Malawi, Mozambique, Tanzania, Zambia
MOU	Memorandum of Understanding
NEPAD	New Partnership for Africa's Development
NEPRU	Namibian Economic Policy Research Unit
NGO	Non-Governmental Organisation
NORAD	Norwegian Agency for Development Co-operation
NTB	Non-Tariff Barrier
NTO	National Training Organisation
OAU	Organisation for African Unity
ODA	Official Development Assistance
Organ	SADC Organ on Politics, Defence and Security Co-operation
OSCE	Organisation for Security and Co-operation in Europe
PANA	Pan-African News Agency
PAPU	Pan-African Postal Union
PARU	Pan-African Railways Union
PATU	Pan-African Telecommunications Union
RASCOM	Regional African Satellite Communications Organisation
Renamo	National Resistance Movement (Mozambique)
REPA	EU Regional Economic Partnership Agreement
RERA	Regional Electricity Regulatory Association
RETOSA	Regional Tourism Organisation of Southern Africa
RISDP	SADC Regional Indicative Strategic Development Plan
RPTC	SADC Regional Peacekeeping Training Centre
RVAC	Regional Vulnerability Assessment Committee
SA	South Africa
SACU	Southern African Customs Union
SADC	Southern African Development Community
SADCC	Southern African Development Co-ordination Conference
SADC-CNGO	SADC Council of NGOs
SAHRIT	Human Rights Trust of Southern Africa
SAIIA	South African Institute of International Affairs
SAPP	Southern African Power Pool
SARDC	Southern African Research and Documentation Centre
SATCC	Southern African Transport and Communications Commission
SATUCC	Southern African Trade Union Co-ordination Council
SCSA	Supreme Council for Sports in Africa
SCU	(SADC) Sectoral Co-ordination Unit
SHDSP	Directorate for Social and Human Development and Special Programmes (in SADC Secretariat)
SITCD	SADC Industry and Trade Co-ordination Division
SNC	SADC National Committee
SPA	SADC Plan of Action
TB	Tuberculosis
TICAD	Tokyo International Conference on African Development
TIFI	Directorate for Trade, Industry, Finance and Investment (in the SADC Secretariat)
UACC	Upper Airspace Control Centre
UDEAC	Union Douanière et Economique de l'Afrique Centrale
UEMOA	West African Economic and Monetary Union (in French)
UN	United Nations
UNECA	United Nations Economic Commission for Africa
US	United States of America

WAEMU	West African Economic and Monetary Union
WAPP	West African Power Pool
WTO	World Trade Organisation
ZANU-PF	Zimbabwe African National Union - Patriotic Front

Preface

This report is the outcome of a study commissioned by the Norwegian Agency for Development Co-operation. It is a follow up to the *Chr. Michelsen Institute (CMI) Report R2001: Assessing the Restructuring of SADC – Positions, Policies and Progress*. Data and documentation for the study were collected during field trips to Botswana, South Africa, Namibia, Malawi, Mozambique and Zimbabwe in the period 3 June to 7 August 2002. A number of documents have also been gathered from the Internet.

The team has benefited from the support of CMI colleagues. Our research assistant, Ingrid Samset, helped locate literature and documents. Senior Research Fellow Arne Tostensen read parts of the draft and gave comment and advice.

In particular, gratitude is due to Elling Tjønneland, who as a team member collected information in the field, contributed with ideas and support and drafted chapters 2 and 4.

In southern Africa, thanks go to the Norwegian embassies in Harare, Lilongwe Maputo, Pretoria, and the Vice Consulate in Gaborone for facilitation of visits and/or interviews with Ambassadors and embassy staff.

I am also grateful to our sister research institutions in the southern African region. The Botswana Institute for Development Policy Analysis (BIDPA), Namibian Economic Policy Research Unit (NEPRU), The Institute for Global Dialogue (IGD, South Africa) and Development Centre (Malawi) assisted with logistical arrangements and/or sharing of information and thoughts.

Above all, I would like to take this opportunity to thank the numerous officials and other stakeholders in Southern Africa and in particular within the SADC secretariat. They all gave graciously of their valuable time to provide information, analysis, interpretations and explanations.

A draft report was submitted to NORAD's Southern Africa Section on 6 September 2002. The draft was presented and discussed at a meeting between the team and NORAD HQ and regional staff on 19 September 2002 in Gaborone, Botswana.

Needless to say, the responsibility for flaws and omissions are entirely mine.

Bergen, October 2002

Jan Isaksen

1 Forming the restructured SADC

1.1 Background

The *Southern African Development Co-ordination Conference* (SADCC) was formed in Lusaka, Zambia in 1980. Its objectives were focused around mobilisation and co-ordination of development assistance, co-operation on development projects and reduction of dependence on apartheid South Africa.⁵ Significantly, SADCC gave post-independence southern African governments their first platform for regional economic co-operation.

The Declaration and Treaty establishing the present day *Southern African Development Community* (SADC) was signed in Windhoek, Namibia in 1992. At the time, the original nine SADCC members⁶ had expanded to ten, Namibia joining in 1990. South Africa joined in 1994 and later Mauritius, the Seychelles and the Democratic Republic of Congo.

SADC's objectives, as outlined in the Common Agenda of the 1992 Treaty, revolve around

- Promoting development, poverty reduction and economic growth through regional integration;
- Consolidating, defending and maintaining democracy, peace, security and stability;
- Promoting common political values and institutions which are democratic, legitimate and effective;
- Strengthening links among the people of the region; and
- Mobilising regional and international private and public resources for the development of the region.

From the start, SADC was a highly decentralised organisation. Strategies, policies and project management within the sectors of operation were handled by individual countries through "Sectoral Units" or by "Commissions" and guided by committees of ministers. In 1996 an Organ on Politics, Defence and Security Co-operation was established. SADC was highly project based, the portfolio containing about 470 projects of which many had a strong national character.

SADC recorded important achievements over the years, particularly in infrastructural development and in fostering a sense of regional belonging. However, during the latter half of the 1990s, questions were asked about the

⁵ Cf. the overview and analysis of the history of SADCC in I. Mandaza & A. Tostensen, *Southern Africa in search of a common future: From the Conference to the Community*, Gaborone: SADC 1994, and K. Lambrechts, "The SADC's Origins", pp. 17-28 in *The IGD Guide to the Southern African Development Community*, Johannesburg: Institute for Global Dialogue 2001.

⁶ The founding members were Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe.

organisation's ability to promote regional co-operation and integration. A study on *Review and Rationalisation* was published in 1997.⁷ At the 1999 Summit, the SADC Heads of State and Government directed the SADC Council of Ministers to initiate a comprehensive review of the operations of SADC institutions, including the Organ on Politics, Defence and Security Co-operation. The Review Committee, composed of representatives from Namibia, Malawi, Mozambique, South Africa and Zimbabwe, produced a comprehensive report with detailed proposals for a restructuring exercise⁸ (referred to below as the *Review of Operations Report*).

The *Review of Operations Report*, which became a blueprint for the restructuring process, recommended, as an immediate follow-up:

- Amendment of the treaty and realignment of objectives with SADC Plan of Action (SPA) priorities
- Creation of SADC National Committees
- Development of a Regional Indicative Strategic Development Plan (RISDP)
- Undertaking of a study on SADC organisational structure to determine staffing requirements, functions, responsibilities, reporting lines, grading and salary scales for the new structure
- Phasing out of Commissions and Sectoral Co-ordination Units (SCUs)
- Creation of Directorates in the Secretariat and secondment, recruitment and redeployment of staff as well as development and training
- Determination of financing for the new structure, including a study on the development of a new formula for member states' financial contributions and creation of a Regional Fund.

The sections below examine the status of the components of restructuring as they stood at August 2002. More information on the background for the restructuring and developments up to October 2001 may be found in the 2001 SADC Report.⁹

1.2 Amendment of the Treaty

Most of the amendments in the treaty were aimed at framing the new organisational structure (Cf. Annex Figure 1),

- "The Integrated Committee of Ministers" (Article 9 and 12)
- "Organ on Politics, Defence and Security Co-operation" (Article 9A);
- "Regional Development Fund" (Article 26A),
- "Regional Indicative Strategic Development Plan" (Articles 1, 12 and 16A)
- "SADC National Committee" (Article 9 and 16A)
- "Troika" (Article 9)

⁷ C. Chipeta: *Review and Rationalisation of the SADC Programme of Action*, Vol. I (*Executive Report*) and II (*Main Report*), CSIR and Imani 1997

⁸ *Report on the Review of Operations of SADC Institutions*. SADC, April 2001

⁹ J. Isaksen and N. Tjønneland, assessing the Restructuring of SADC – Positions, Policies and Progress. Chr Michelsen Institute Report R 2001:6

- A possibly important step was to change the preference for national ministers to represent Member States in the Council of Ministers from “a Minister responsible for economic planning or finance” to “a Minister for foreign or external affairs”
- The revised Treaty also provides for a new financing formula (Article 28)
- The Treaty strengthens the scope of sanctions for non-fulfilment of obligations assumed under the treaty (Article 33)
- Article 8, on admission of new members, now requires an application for membership to be handled by the Council of Ministers before it goes to Summit.

Some of the amendments also signalled changes in direction:

- The determination to eradicate poverty and meeting the challenges of globalisation were made stronger in the preamble.
- The mainstreaming of gender and the fight against poverty is stressed along with the fight against HIV/AIDS and other communicable diseases.
- Under "SADC Common Agenda" (Article 5A), the references to poverty alleviation, democracy and the promotion of political values were strengthened.

The amendments were signed at the Blantyre Summit of 14 August 2001.

1.3 SADC National Committees

The amended SADC Treaty provided for the creation of SADC National Committees (SNCs) consisting of key stakeholders. Apart from Governments, the stakeholders were to include the private sector, civil society, non-governmental organisations, and workers' and employers' organisations. The composition of SNC members shall, according to the Treaty, reflect the core areas of integration and co-ordination (i.e. the functions of the four directorates, see Fig 1 below).

It is the obligation of each member state to create such committees. The committees shall according to the guidelines *inter alia*¹⁰

- provide input into the formulation of SADC policies, strategies and programme of action;
- co-ordinate and oversee the implementation of the SADC programme of action;
- promote and broaden stakeholder participation in SADC affairs in member states;
- facilitate information flows and communication between member states and the SADC Secretariat; and
- co-ordinate the provision of inputs for the development of the Regional Indicative Strategic Development Plan and monitor its implementation.

¹⁰ Cf. the SADC Secretariat's *Draft Guidelines on SADC National Committees* (n.d. (2001). The draft guidelines were approved at the Council of Ministers Meeting in August 2001.

It was envisaged that the National Committees would fill the temporary vacuum which was expected with the phasing out of Sector Co-ordinating Units (SCUs) from member states to the Secretariat.

The *Review of Operations Report* said that SNCs would be created before the end of 2001. Later, the Executive Secretary expressed the hope that they would be established by the end of March 2002. A table showing the formal status of SNC as it was reported to the Council of Ministers meeting in June 2002 is contained in Annex Table 1.

In terms of formal establishment, August 2002 saw three countries outstanding. In South Africa, a decision about the structure of the SNC was still awaited, reportedly because the integration of SADC and NEPAD liaison within the same Committee was taking time. In Lesotho, establishment was said to be “at an advanced stage”. In DRC the situation was described as uncertain.

With the formalities of establishment mostly done, a next step is the “launching” of SNCs to make them publicly known and to begin performing their functions. As per early June 2002 there was, however, little evidence that they were generally functioning. In the countries where the team had access to information about SNC activities¹¹ only a small group of people directly concerned with SADC appeared to have information on the existence of SNCs. In general, there is little or no activity taking place in the Committees.

The SADC Secretariat appears to be concerned over the lack of action. Member states have been encouraged to discuss internally and with the Secretariat the ways in which the Committees will be set up. The greatest obstacles for Member States to make SNCs take off are likely to be national capacity and finance. In cases where donor funding for the cost of running a secretariat is not available, it will take time before such costs can be covered from already constrained state budgets.

Some unclear points in the SNCs’ mode of operation still need to be settled. The lines of communication and lines of authority between the SNCs, the Secretariat and other structures are not clear. A question remains about issues falling under the Organ which are not yet included in the tasks of the national committees but will presumably need to be so. Finally, the role of parliament and parliamentary oversight in relation to the SNCs have not been addressed in the SADC draft guidelines.

While SNCs are not functioning, their responsibilities cannot be discharged. This is likely to have a negative effect on official as well as popular influence on important processes like preparing the RISDP, improving SADC visibility and creating a feeling of ownership among the public in the Member States.

¹¹ Botswana, Malawi, Mozambique, Namibia, South Africa and Zimbabwe

1.4 The Regional Indicative Strategic Development Plan (RISDP)

The main tasks ahead for SADC are to operationalise protocols and harmonise policies. The envisaged key instrument to achieve this is the development of the RISDP.

The main purpose of RISDP is to “provide member states, SADC institutions and key stakeholders with a coherent and comprehensive development framework for the operationalisation of SADC’s Common Agenda and Strategic Priorities over the next decade (2002 - 2011), with clear targets and time frames”.¹² The plan will take into account programmes, activities and projects currently being undertaken by various SADC sectors and institutions.

The *Review of Operations Report* sees RISDP as a statement of key objectives. The (a) **economic objectives** are focused on the development of measures to alleviate poverty, including industrial development, trade, macroeconomic policies, investment and infrastructure. The **political priorities** (b) concern democratic governance and mechanisms for conflict prevention, management and resolution. The (c) **social goals** focus on gender issues, human resources, combating HIV/AIDS and social welfare. **Three other priorities** are particularly mentioned: development of science and technology, research and development; development of effective disaster preparedness and management mechanisms; and consolidation of international co-operation with other regional groupings.

Key functions of the RISDP are the need to *communicate* objectives to stakeholders groups (international organisations, donors) and to Member States and the public at large. The RISDP will also form a basis for the *Secretariat to function* efficiently and focus on implementation. Also, considerable contributions from donors will be contingent upon SADC having a realistic plan indicating appropriate areas for co-operation within SADC’s overall strategic framework.

RISDP Progress?

According to the plan drawn up in the *Review of Operations Report*, formulation of the RISDP would be completed by December 2001. The deadline was later changed to completion in June 2002. Until May 2002, when contacts with Member States were to take place, the RISDP process was largely limited to the activities of the core preparation team within the Secretariat. Where possible, sectoral strategic plans were to be produced by SCUs. Where the SCUs had been phased out, Directorates would produce the sectoral plans.

The preparation team was composed of three members from the Secretariat and four regional consultants. A Review Committee would represent the Member States. A steering committee, consisting of the Executive Secretary

¹² SADC Council of Ministers at its August 2001 meeting in Blantyre

and two senior staff members, would support the co-ordination of the RISDP project.

During the CMI team's visit to the region (June 2002) the expectation was that a *final report* would be submitted to the Chief Director by end of July 2002. By late June 2002 it was indicated that the RISDP team had nearly completed an *interim report*. The plan was then to present a draft RISDP to the Integrated Committee of Ministers (ICM) in August 2002 and a final to the Council meeting expected to take place in November 2002. Later it was indicated that the ICM meeting would be postponed, allegedly because of difficulties with the finalisation of the RISDP. In September 2002 it was decided to extend the RISDP deadline to mid 2003.

There is little information that may suggest what the character and outline of the RISDP might be. Information about the inception report indicates that the process and document outline were professionally/academically well conceived, with considerable weight placed on data collection and literature studies. Relatively little attention had, however, been given to the planning process, consensus building and inputs from member states and civil society. The September 2002 extension mentioned above might have the effect of improving the process and bring more involvement of the member states.

The RISDP is likely to deal with politics, defence and security matters as background factors for social and economic development and not include them as policy matters.

Donors have been looking forward to support the development and functioning of the restructured organisation, taking directions from the RISDP. Speaking after the June 2002 Gaborone summit the hope of SADC's Executive Secretary was that "by the time of the consultative conference, the Regional Indicative Strategic Development Plan, which seeks to spell out concrete projects arising from the SADC Common Agenda, will be complete...". Unfortunately, this hope has been dashed.

While the preparation of RISDP has fallen behind the original deadline, it is important to have in mind that there is a trade-off between hitting the deadline and producing a high quality policy document. The RISDP process will set concrete directions and build consensus about the organisation's future path. Such a process should be expected to take time and to cause temporary disagreement. Slips in the overly ambitious timetable¹³ may at first seem serious but should not be thought of as more important than the completion of a thorough plan preparation process.

¹³ This argument is made in the 2001 CMI report on SADC (R 2001: 6)

1.5 Phasing out Commissions and SCUs, building up the SADC HQ

According to the restructuring programme adopted by the Summit¹⁴, the Sectoral Committees, Sector Co-ordinating Units and Commissions will be phased out within a period of two years from 9 March 2001. The *Review of Operations Report* gave clear deadlines for the establishment of a new structure for the SADC HQ. A Department of Strategic Planning, Gender and Development and Policy Harmonisation managed by a Chief Director and reporting to the Executive Secretary was to be established by August 2001. Under the Department there were to be four sectoral Directorates, all established before the end of 2002.

Considerable progress has been made during 2002. Most of the Sectoral Committees under the old structure have had their last meetings, the phase-out of SCUs has moved forward and the establishment of Department and Directorates of the HQ has formally proceeded according to the time frame. As the examination below will show, SADC is, however, still far from the point where the old structures are gone and the new are functioning.

The **Department of Strategic Planning, Gender and Policy Harmonisation** was set up to strengthen the Secretariat in executing its new functions. A Chief Director heads the Department, which in mid-2002 had five staff members: a Principal Economist, two members working on gender issues and two on statistics.

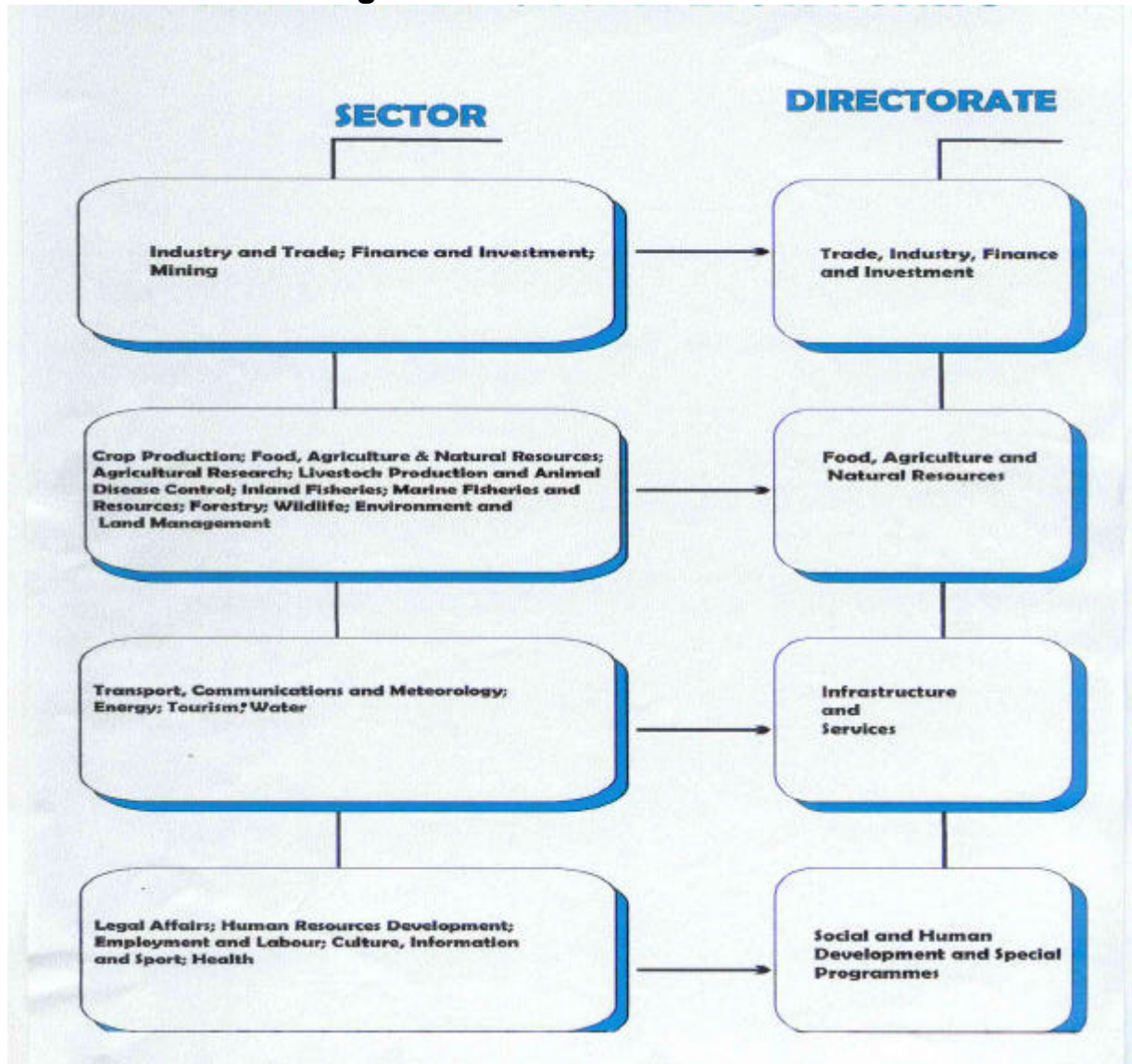
Some functions, including monitoring and evaluation, co-ordination of donors and co-operating partners and regional operational activities, do not appear in the new organogram. How the Secretariat will deal with these functions is still to be seen.

By September 2002 three of the four Directorates had been formally established. Until the study of SADC's organisational structure has been concluded and acted upon, Supervisors for the Directorates will be drawn from the SADC Secretariat staff. Final decisions on the details of staffing requirements, functions, responsibilities, reporting lines, grading and staff salary scales will have to wait for the outcome of the study.

Figure 1 overleaf illustrates how the former SCUs and Commissions were formed into *clusters* (e.g. the three SCUs for Industry and Trade, Finance and Investments and Mining formed one cluster) or sectors. Each cluster or sector was to be handled by a Directorate (e.g. the Directorate for Trade, Industry, Finance and Investment (TIFI)).

¹⁴ At the Extraordinary Summit meeting held at Windhoek, Namibia on 9 March 2001.

Fig 1: SADC New Structure



Source: SADC

Trade, Industry, Finance and Investment Cluster

Under this Cluster two co-ordination units, the “Industry and Trade Co-ordination Division” (SITCD) located in Tanzania and the “Finance and Investment Co-ordination Unit” (FISCU) located in South Africa, were phased out at an early stage. These priority sectors were the first components of the TIFI Directorate (see below).

The *Mining Sector Co-ordination Unit*, located in Zambia, was closed down recently. The last meeting of the SADC Mining Ministers, formerly supervising the Mining sector, took place on 2 August 2002. The SADC Mining Sector Strategic Development Plan, which was approved by Council at its June 2002 meeting, would be an input into the RISDP. The meeting also decided on the following priority areas with regard to development of the SADC mining sector: Harmonisation of policies and standards, data and knowledge

acquisition, a competitive skills base and technology base as well as establishment of a commercially viable small/medium-scale mining industry with special attention to enterprise support mechanisms.

The ministers recommended that a forum for better understanding the focus areas be organised and agreed to create five technical committees to support the TIFI Directorate in the implementation of the SADC Mining Sector priorities. The technical committees' relations to SADC organisational structures were not elaborated.

The ministers also noted issues of concern from the "Mining Industry Association of Southern Africa" and "SADC Women in Mining Trust". These included formalising their relationship with SADC Secretariat, rules of procedure for the Mining Ministers meetings and small/medium scale mining support.

The Directorate for Trade, Industry, Finance and Investment (TIFI) was launched in August 2001, on schedule. In June 2002, at the time of the teams' visit, 14 persons in all were working on issues related to trade, finance and investment. The interim supervisor of TIFI was an experienced SADC staff member who had long been responsible for trade issues. Seven of the staff were seconded from member states, of whom one was from the SITCD in Tanzania. An additional three were consultants, of whom two were recruited from within the region and one externally. Finally, TIFI also could be said to include a Project Management Unit of three, responsible for work on the Protocol for Finance and Investment.

With the exception of two staff members, the whole of TIFI is occupied with trade issues. An action plan for the Directorate has been drawn up.

Whether the size and composition of the Directorate will be right for the amount of work that will have to be done can only be assessed through the planned study on organisational structure and subsequent experience. It is, however, clear that a large number of important issues will have to be dealt with by TIFI. Two important rounds of negotiations that will require considerable capacity in the Secretariat are the WTO Doha Development Round and the oncoming negotiation of Economic Partnership Agreements (EPAs) with the EU (see section 1.7 below). Most likely, additional staff will be required to increase the Secretariat's capacity to deal with these issues.

An important project on the finance side of TIFI is to prepare a Protocol on Finance and Investment. It was expected that this would be based on a series of Memoranda of Understanding to be completed by mid-2002, developed into a protocol by mid-2003 and ratified in 2004. The fieldwork in 2002 indicated that a more flexible approach to deadlines had to be adopted, the idea being that MOUs for the different sub-areas would be tested "on the ground" before a protocol was developed. (see section 1.7 below)

Food, Agriculture and Natural Resources Cluster

The situation in the **Food, Agriculture and Natural Resources** cluster¹⁵ is less clear. It appears that at least part of the Harare FANR is operating as before. This unit's contribution during the regional food crisis of the early nineties was strongly commended. It would be unwise to close down or disrupt its activities in the present emergency situation. The Marine Fisheries (Namibia) and Inland Fisheries, Forestry and Wildlife SCUs (Malawi) have been closed down, or are about to be closed. The Southern African Centre for Co-operation in Agricultural Research (SACCAR) has been closed down and its assets transferred to the government of Botswana. There is a bit of uncertainty as to what has happened with the Sector Coordinating Units for Crop Production (Zimbabwe), Livestock Production and Animal Disease Control (Botswana) and Environment and Land Management (Lesotho).

The new **Directorate for Food, Agriculture and Natural Resources (FANR)** was launched in December 2000, in line with the plan. FANR now has a staff of 6 seconded experts and two technical advisers led by a supervisor who is a long-term employee of the SADC secretariat.

The present staff complement will clearly have grave difficulties in handling the very extensive field covered by the former SCUs. Again, the study of the organisational structure has to be awaited before more staff can be recruited. At the present time, with a major food crisis looming in the region, it is important not to disrupt work by attempting to undertake a reorganisation simultaneously.

An interesting initiative taken recently is the recommendation of a Ministerial Meeting in July 2002 to create a technical facility within the FANR Directorate that will mobilise financial and technical resources to support SADC Member States in implementing national land and agrarian reforms.

Infrastructure and Energy Cluster

In the Infrastructure and Energy cluster, the last Committee of Energy Ministers Meeting was held on 27 July 2002. The meeting noted that the SADC Energy Commission Technical Unit will relocate from Luanda to Gaborone. The Director of the SADC Energy Commission Technical Unit was to move to the SADC Secretariat. In view of the current workload and the need to ensure continuity, Ministers agreed to recommend to the Review Committee that two staff members seconded from Member States support the Director.

The Southern Africa Transport and Telecommunications Commission (SATTC) in Maputo is apparently still in action as before. The only difference

¹⁵ Crop Production (Zimbabwe); Food, Agriculture and Natural Resources (Zimbabwe); Agricultural Research and Training (Botswana); Livestock Production and Animal Disease Control (Botswana); Inland Fisheries (Malawi); Marine Fisheries and Resources, (Namibia); Forestry (Malawi); Wildlife (Malawi); and Environment and Land Management (Lesotho)

is that the information flow to and from Member states now goes through the Secretariat in Gaborone.

The **Infrastructure and Services Directorate** was to be launched in December 2002¹⁶.

Social and Human Development and Special Programmes Cluster

The Social and Human Development and Special Programmes (SHDSP) cluster, comprised the SCUs dealing with Culture, Information and Sport (Mozambique), Health (South Africa), Employment and Labour (Zambia), and Human Resources Development (Swaziland). The cluster will be handled by the **Directorate for Social and Human Development and Special Programmes**, which was launched in September 2002.

Problems with the phase-out of SCUs

Many of the SCUs had a low level of activity or were in charge of essentially non-regional projects. Although host governments experienced practical problems like the redeployment of SCU staff, most SCUs were therefore relatively easy to close down. The audit of SCUs assets has now been completed.

In a few instances there were, however, problems related to the restructuring itself typically when SCUs with both operational and policy responsibilities were transferred into the Secretariat, which was not supposed to have operational responsibilities. For example, it is hardly practical to run marine fisheries projects from Gaborone. Namibia, which has co-ordinated this sector, has noted that wholesale closure of a Marine Fisheries Unit would leave out important operational aspects. It was therefore proposed that there be established an autonomous "Regional Fisheries Agency" which may deal with operational issues and other functions not covered by the Secretariat in Gaborone.

Another example is in the forestry sector, co-ordinated in Malawi. It has been agreed that the Malawi Co-ordinating Unit, although formally closed, will manage the ongoing projects until their conclusion. Information on the projects will, however, be redirected via Gaborone and not, as before, flow directly to the forestry agencies in the member countries.

In the Wildlife SCU, the regional office of the International Union for Conservation of Nature and Natural Resources (IUCN) will implement one of the main ongoing programmes (Survey of Wetlands in the SADC region).

Whereas the closing of SCUs appears to be on track, operational activities may still take place in "Agencies" and / or be outsourced to NGOs or consultancy companies. It appears, so far, that the secretariat has adopted a pragmatic and

¹⁶ SADC Public Relations and Information Unit, 18 September 2002

flexible approach to the SCU aspect of the restructuring and has exploited the scope for learning from the process. It is important to make sure that operational issues are not ignored to the extent that well-run projects are put in jeopardy. On the other hand, if many SCUs are, in fact, continuing to operate much like before, located in the countries formerly responsible for the SCU, it may lead to complaints by other countries that “their” SCUs should also be maintained. There is thus a danger of obfuscating a key element in the whole restructuring process.

Study on SADC Organisational Structure

The transfer of part of SCUs’ and Commissions’ responsibilities clearly made it necessary to restructure the SADC Secretariat in Gaborone. The *Review of Operations Report* envisages a study determining staffing requirements, functions, responsibilities, reporting lines, grading and salary scales for the new structure. Whereas it was originally recommended that the study would be undertaken by external consultants, the Council of Ministers decided in August 2001 that the Secretariat should play a stronger role in the preparation of the study. Later, presumably during the Zanzibar Council meetings, it was decided that consultants would have to be used.

Recruitment of personnel for the necessary strengthening of the Secretariat cannot be commenced before Council and Summit have accepted the recommendations of the study. Unfortunately, the delays in completing the study will restrain action in a number of the other priority areas of the restructuring exercise as well as in the majority of SADC’s substantive implementation activities. It was first thought that the study would be ready by the end of 2001. The uncertainty about modalities took some time and later the matter also seems to have proceeded slowly within the Secretariat.

By June 2002 a short-list of consultants had been produced and interviews to build a sound base for selection of a firm to be selected were to start shortly. Although some sources indicated that the study would take about three months, the complexity and range of the questions to be dealt with would indicate at least double that time. Also, the mobilisation time for the consultants, after having been awarded the tender, would add perhaps a month. Decisions by Council and Summit could therefore at the earliest take place in January/ February 2003. Considering the time taken for advertisement, selection of candidates and the fact that good candidates will tend to require long periods from selection to actual employment, it is not likely that improvement in the human resource situation will come before late 2003. It is therefore likely that the organisation will have to use seconded staff far into 2004. If the Jan/Feb Council / Summit decision point slips, it will easily add another half year of delay.

As was indicated by SADC at the February 2002 Mini Donor Conference, the decision-making process with regard to the structure and size of the Secretariat should in principle not be finalised before the RISDP and the “Study on SADC Organisational Structure” has been completed. The number and grading of posts will in principle have to be linked to the planned outputs as defined by

the RISDP. If this principle is to be followed to its logical conclusion, considerable delay may be expected. Both the governing levels and the Secretariat ought to consider temporary solutions to accelerate action.

Staff development and training

The *Review of Operations Report* also points to staff development and training as an important part of the implementation of the new structure. This appears to have been perceived by the Secretariat as less important than other tasks, in particular since recruitment has not yet started. There is some indication that a degree of bureaucratic sclerosis has set in. Staff members, overwhelmed by the amount of work, have resorted to time tested bureaucratic techniques of delay and evasion of responsibility. It is important that active development and training be started at an early stage. Otherwise a culture of hardened government bureaucracy may easily become rooted in the secretariat. The presentation by the SADC Secretariat at the Mini-donor conference pointed to a number of areas where the Secretariat needed strengthening.

It is praiseworthy that the Secretariat has set up the new structure within the deadlines. However, to some extent the establishment of the Directorates has been a formal one without providing the capacity that is needed. Practical issues, such as the delay in preparing the organisational structure report, as well as accommodation problems in Gaborone, explain some of the problems. Preparing for further delays, the Secretariat has contacted Member States to arrange for extension of secondments and this has been generally accepted.

1.6 Financing and donors

SADC's 2002/2003 budget of USD 12.8 million was approved by the Council of Ministers at Zanzibar in February 2002. In addition to the cost of running the Secretariat, the budget covers operational expenses, programmes and projects and capital expenses for SATCC and the Regional Tourism Organisation of Southern Africa (RETOSA). Council also decided to review the financial situation of the organisation every six months to monitor its financial performance. It has also been agreed that budgeting in SADC shall be based on a performance budgeting system with a three-year rolling budget starting 2003/2004.

The total budget appears to be on the low side compared to the USD 12 million budget presented in the *Review of Operations* document and which did not cover expenditure for SATCC and RETOSA. Information for further analysis of the budget is not available.

The Council also approved a new formula for membership contributions, which will be applied from the 2003/04 budget year.¹⁷ The formula is based on GDP in such a way that each country contributes a fraction of the total SADC budget that is equal to its fraction of the total of the SADC countries' GDP.

¹⁷ See Annex Table 4.

An upper cut-off point of 20% and a lower one of 5% have been introduced. This means that South Africa, although its GDP is nearly 80% of the total GDP for SADC, will not pay more than 20%. The only country exempted from the formula is Seychelles, whose contribution is set at 2%. There is some doubt about the status of the decision on membership contributions. In a communiqué after the SADC Ministers of Finance meeting on 8 August 2002, it was reported that “Ministers gave direction to the Task Team working on the development of an equitable membership contribution formula.” The remaining work may, however, be of a purely technical nature, not affecting the nature of the formula itself.

The idea of “self financing” for the SADC budget by means of regional levies or the like has been considered for some time. During the team’s visit to the region (June 2002) there was scepticism both as to the usefulness of such a funding source and as to whether SADC would be able to utilise additional funding in an appropriate manner.

Finance Ministers of the region have, however, formalised the search for a self-financing mechanism. The extraordinary meeting of the Committee of Ministers for Finance and Investment in December 2001 considered that there was a need to take a longer-term view on the issue of financing. The self-financing mechanism should be sustainable and responsive to the needs of the region. Ministers established a task force comprising of Botswana, Malawi, Mauritius, Namibia, South Africa, Zambia and the Secretariat to address the issue. The group was later expanded to take on board the issues related to the planned Regional Development Fund, mobilisation of resources for investment in the region and participation of stakeholders in financing development programmes and projects in the region.

The Secretariat arranged a so-called mini-donor conference in February 2001. This was partly in response to concerns that unless SADC communicates its financing needs and to some extent indicate preferences for individual donors’ roles, there is a risk of erosion of funding potential.

The conference gathered most of the important donors with fairly high-level representation. The overall objective of the conference was to “forge consensus between SADC and its International Cooperating Partners (ICPs) on key issues and approaches that will facilitate and expedite the SADC restructuring process so as to strengthen the SADC Secretariat and other SADC institutions to play a more effective and catalytic role in promoting overall development of the region in line with the broader goal of creating an integrated economic community in Southern Africa”¹⁸.

The conference made it fairly clear that SADC considers it problematic to handle large amounts of donor funding at a time where future directions and needs for support have not been clarified by the organisation through e.g. the

¹⁸ Mini Donors Conference in Support of SADC Restructuring. Theme Document: “Strengthening SADC for Sustainable Regional Integration” SADC Secretariat, Gaborone. February 2002.

completion of the RISDP process. One of the challenges facing the SADC secretariat was said to be the capacity to articulate and package needs. In the words of the Executive Secretary: "The irony is that we need resources to exploit these resources". Although the Secretariat had some idea of the magnitude of resources required, a more accurate determination will be possible only after the completion of the RISDP

Potential areas of donor support indicated at the conference were (key priorities marked with an asterisk "*"):¹⁹

- Translation of needs into a programme and creation of a donor co-ordination unit within the Dept of Strategic Planning*
- Operationalisation of RISDP including development and financing of business plans for Directorates *
- Establishment of remaining Directorates*
- Support for on-going programmes within the framework of restructuring
- Strengthening capacity for resource mobilisation and programming
- Possibility of establishing a proposed "Technical Analysis Support Fund"
- Management support to improve the internal operations of the Secretariat
- Feasibility study on the establishment of a Regional Development Fund
- Skills upgrading for professional and support staff of the Secretariat
- Establishment of SADC National Committees in Member states.

The mutuality between recipients and donors were emphasised: the meeting stressed the importance of exercising commitment to programmes, accepting counterpart contributions, ensuring sustainability of programmes and projects, using clear procurement processes and practices, exercising partnership in programme design, and consulting properly during programme and project implementation.

ICPs signalled their preference for being dealt with on a *collective* rather than an *individual* basis and to consider a *basket* of needs when defined since this would foster co-ordination among donors and avoid overlaps. They also underlined the need for frequent consultation. SADC would prepare a "matrix of donor support", which, once finalised, would be shared with ICPs. Assistance in translating various needs into a consistent "basket" was said to be an immediate need for support. The Secretariat will approach ICPs once Council approval is obtained. This has apparently not yet happened.

After the mini donor meeting, some concern was communicated to SADC by a "Core Group" of ICPs²⁰. They felt that there were important bottlenecks in the Secretariat and that the Department of Strategic Planning, Gender and Policy Harmonisation, the four Directorates, as well as the secretarial support to the Organ should be swiftly operationalised, even before the results of the

¹⁹ Following three paragraphs are excerpts from: "Mini Donors Conference in Support of SADC Restructuring, Record of Proceedings", Gaborone, Botswana, 18 February 2002.

²⁰ EU, Germany, France, DFID and the US, all with a presence in Gaborone. Other donors mentioned as having a "significant interest in working with the core group" were Belgium, Denmark, Sweden, Norway, the World Bank and the IMF.

organisational structure (job evaluation) study were known. It was indicated that this might be done through technical assistance “as far as possible by regional experts”, for which the Core Group offered funding. It is possible that this may work and speed up the RISDP and the study of SADC’s organisational structure, but there has so far (July 2002) been no general response from SADC. Whatever the result of this initiative may be, it should be noted that this is the first time donors have offered support to SADC as a *group*, as the communication says: “signalling their willingness to work in a far more co-ordinated way than hitherto to ensure effective, flexible, joined-up assistance to SADC in a timely and transparent manner”.

Neither the RISDP process nor the organisational structure study is likely to be substantially complete before the October 2002 meeting with the ICPs. As far as can be understood, the Secretariat aims at presenting a rough global estimate of needs and some indications of programmes and projects. Decisions on donor responsibilities and co-ordination of programmes and projects might, to a considerable extent, be left to the donors. This would seem to call for a better organisational link between SADC and the donors.

1.7 Progress on substantive issues

Although the restructuring issues will occupy the centre stage of SADC for the time being, it should not be forgotten that SADC’s *raison d’être* is the substantive projects and processes of co-operation and integration between Member States.

The fact that the Secretariat appears to attach a low priority to outward information flows and has only a tiny (but very active) PR section limits the flow of information to outsiders and often makes it difficult to appreciate the volume of work that takes place in the organisation. The recent redevelopment of the SADC website has, however, helped. The organisation is active on a number of substantive issues despite the turbulence and workload created by the restructuring exercise. The following sub-sections examine some important areas of SADC’s activities.

The Regional Food Crisis

For the 2002/2003 crop year the SADC region faces a cereal deficit of 5.19 million tonnes and a maize deficit of 3.20 million tonnes²¹. The deficit is due to drought, excessive rains and floods, and low carryover stocks from the previous season. Crop assessments conducted jointly by SADC/FAO/WFP in April/May 2002 in Angola, Lesotho, Malawi, Mozambique, Swaziland, Zambia and Zimbabwe indicate that the SADC region is facing its worst food crisis since the 1992 drought. A total of about 13 million people in the region will be in need of food assistance between mid-2002 and the next harvest in April 2003. WFP has called the crisis the worlds’ worst crisis at the present time.

²¹ Figures for April / May 2002.

SADC has taken the initiative to several meetings, at both technical and higher levels, to analyse and remedy the situation. A joint SADC/UN Appeal for Humanitarian Assistance covering food and non-food requirements has been launched. Also, it has been agreed to revive the Logistics Advisory Centre which during the early 1990s crisis co-ordinated transport logistics for the importation and distribution of food among Member States. As a long-term measure, SADC will undertake policy reviews on irrigation development, alternative sources of carbohydrates, the incorporation of livestock and fish products into the food security assessments, and will conduct a review of regional food reserves.

It is unclear what role SADC played in drawing up the UN plan for humanitarian assistance to the region²². In the UN report, the organisation is made mention of as one of the “stakeholders”. It is also mentioned that SADC will have to play a role in solving logistical problems such as road tolls, customs procedures and third party transport arrangements to allow trucks from one country to operate in another. SADC’s information systems will be utilised. Assessment activities will be co-ordinated through the common consultative structure of the SADC FANR Regional Vulnerability Assessment Committee (RVAC) based in Harare.

In August 2002 it appeared that the SADC/UN appeal was well underway with several commitments for delivery of food and for financial resources. Difficulties did arise over the refusal of some of the countries to accept gifts of genetically modified maize. WHO hoped that further progress, both on resource mobilisation and on the issue of genetically engineered maize, would be made during the World Summit on Sustainable Development taking place in Johannesburg over 26 August to 4 September 2002. SADC may play a role as an arbiter in this case.

The Free Trade Area

The SADC trade protocol, signed in 1996, aimed, among other things, to establish a SADC Free Trade Area (FTA) within eight years. On 1 September 2000 the SADC countries started implementing the Trade Protocol. The accord will cut tariffs on 12,000 defined product areas in the SADC region. By 2008, the intention is that 85 percent of intra-SADC trade will be freed from tariffs. From 2008 to 2012, the sensitive products will be liberalised, creating a Free Trade Area by 2012. 12 of the 14 SADC members have now ratified the Trade Protocol, DRC and the Seychelles remaining.

The objectives of the protocol range wider than to establish an FTA and include:

- promoting the liberalisation of intra regional trade in goods and services based on fair, mutually equitable and beneficial trade arrangements;

²² Regional Humanitarian Assistance Strategy in Response to the Crisis in Southern Africa. Lesotho, Malawi, Mozambique, Swaziland, Zambia, Zimbabwe. July 2002 – June 2003. United Nations, New York and Geneva, July 2002.

- ensuring efficient production within the SADC that reflects the dynamic comparative advantages of its members;
- creating an enabling environment for domestic, cross-border, and foreign investment and
- enhancing the economic development, diversification and industrialisation of the region;

The areas of co-operation identified by the protocol include the elimination of obstacles to intra-SADC trade, customs procedures, trade laws, trade related investment matters, measures for cross-border investment and other trade related issues such as trade in services and trade development. Article 25 deals with competition policy, and exhorts member states “to implement measures within the community that prohibit unfair business practices and promote competition.”

The organisational mechanisms for running the implementation of the Trade protocol are separate from the SADC Secretariat (TIFI) and governing structures comprise a “SADC Trade Negotiating Forum”, a “High Level Committee on Market Access and Rules of Origin” and a “Committee of Senior Officials”. Furthermore, under the “SADC Heads of Customs” meetings there are four working groups dealing with such issues as rules of origin, customs co-operation, customs systems and a transit action plan.

Since the start of implementation, particular attention has been paid to forging an agreement on rules of origin. At the team’s visit to Gaborone in June 2002 the Secretariat expressed hope that outstanding issues would be brought to a conclusion in the very near future. The 5 August meeting of the SADC Committee of Industry and Trade Ministers in Windhoek agreed on rules of origin for most if not all goods under the following remaining Customs chapters: plastic products (39), machinery and mechanical appliances (84), vehicles (87), most products of electrical equipment (85) and measuring and surgical instruments (90). The negotiations on rules of origin seem to have been substantially concluded. The ministers, however, decided to create a mechanism for regular review of rules of origin in order “to ensure that their contribution toward the regional economic development and integration efforts is enhanced”²³.

One remaining problem is *wheat products*. Whereas nearly all countries appear to agree that unprocessed wheat may be freed up, there is still disagreement on wheat flour and wheat based products. Significant wheat producers (SA and Zimbabwe) are pressing for rules that stipulate a high local content for wheat products to be deemed to “originate” in the SADC region.

The implementation of the FTA is apparently running relatively smoothly. There has been no use of the dispute settlement mechanism as yet. A couple of instances of disagreement have been solved without recourse to the formal mechanism. One example is the case where SA had erroneously excluded

²³ SADC Media Release on 16th Meeting of the SADC Committee of Industry and Trade Ministers, Windhoek, Namibia, 5th August 2002

copper cables, virtually stopping exports from Zambia. SA conceded the error and the problem was solved. Another example was that some of the MMTZ (Malawi, Mozambique, Tanzania, and Zambia) had not submitted names of exporters to SA, which they were required to do.

There are, however, problems that are likely to surface. There are unconfirmed reports indicating that Zimbabwe does not fully comply with FTA rules. Also, Zimbabwe and Malawi, which earlier had favourable non-reciprocal trade agreements with South Africa, feel that the FTA will only have negative effects for them. The FTA forces them to scale down their duties on goods imported from South Africa, whereas their own exports to South Africa are already duty free. The problem has been temporarily solved with a quota arrangement for textiles, but some private sector quarters are still mainly of the opinion that there is a good case for Malawi to withdraw from the FTA.

According to the Trade Protocol, it is important to link trade measures with industrial policy co-ordination. The recent Windhoek industry and trade Ministers meeting reiterated the importance of the industrial sector in trade and development and urged for acceleration of the process to formulate the SADC Industrial Development Policy and Strategies. South Africa has been particularly keen on establishing the trade-industry link through so called "spatial development initiatives".

At a more fundamental level, the differences in income and industrialisation between the SADC countries present challenges for co-operation. There is a danger that the least developed and least industrialised countries will benefit less from trade liberalisation than the others.²⁴ The trade protocol recognises this asymmetry in that South Africa and the rest of SACU will reduce their tariffs faster than the MMTZ and other SADC members. The problem arising is that Botswana, Lesotho, Namibia and Swaziland (BLNS) are SACU members and thus have a common external tariff with South Africa although they are much less industrially developed than the bigger member. Some progress has been made in allowing the BLNS countries greater access to MMTZ markets than South Africa, through a commitment by the MMTZ to accord improved market access to the BLNS, but the issue can hardly be considered settled.

Some of the MMTZ feel that cuts in duty rates toward SACU may become problematic. Mozambique has submitted proposals for the SADC Protocol on Trade to allow LDCs to take temporary safeguard or remedial measures and give technical and financial assistance free of charge to LDCs to address the problem of costs that may arise from the dispute settlement process. This matter is not yet resolved.

²⁴ This is also evident in two recent trade studies commissioned by Norwegian embassies in Southern Africa. See *Overview of Malawi's trade relations both regionally and internationally*, Lilongwe: Imani Development 2001 (Unpublished report prepared for the Norwegian embassy, Lilongwe, January 2001), and *Economic Integration of the SADC Trade Protocol in Norad's Assistance to the Private Sector in Mozambique* (Unpublished draft report, Nordic Consulting Group, 28 September 2001).

As tariff barriers are progressively scaled down, it is likely that the problem of non-tariff barriers (NTBs) will come to the fore. In June 2000 at Maseru, the SADC Committee of Ministers of Trade reiterated its decision to eliminate core non-tariff barriers (NTBs) relating to cumbersome procedures and unnecessary measures which tended to impede intra-SADC trade. In the context of NTBs the issues of co-operation and harmonisation in the area of competition policy appear to be an increasing concern.

Competition regulation

The ongoing implementation of a SADC Free Trade Area and the process of privatisation in the southern African region makes it important for Member States to have policies and legal frameworks for the regulation of competition. So far, only South Africa and Zimbabwe have fully-fledged competition legislation. The Secretariat is keenly aware of this and feels that it is important for Member States lacking such policies and frameworks to establish them. As countries will have different needs and SADC is wary of being seen to *prescribe* competition regulation for individual states, the activities so far have focused on model legislation and consideration of regional aspects of competition policy and legislation

Trade in services

A meeting in Mauritius in May 2001 made progress in the preparation of further negotiations for liberalisation of trade in services and integration into the multilateral trading system under GATS. Substantial work has so far been done in documenting relevant national legislation in line with agreed information formats. This has included identification of Member States' commitments under GATS. In the cases where SADC Member States have not felt able to make GATS commitments the expectation is that they may make commitments which are applicable to the region only.

EU relations

Negotiations of Economic Partnership Agreements (EPAs) envisaged by the Cotonou Agreement between the (African, Caribbean and Pacific) ACP states and the EU are assumed to start in September 2002. EPAs will open the way for free trade between EU and developing countries while complying with WTO rules. In addition to the trade aspects, EPAs are likely to contain a number of trade related aspects such as sanitary and phytosanitary rules, standards and customs procedures as well as anti-dumping regulations. The Cotonou principles governing the establishment of EPAs pay regard to differences in development between the ACP states as well as regard for individual countries' development policy objectives and their integration at both regional and global levels.

The 3rd Summit Meeting of the ACP in mid July 2002 in Fiji attempted to agree to a common position on negotiating EPAs. The Summit endorsed a set of

ACP Negotiating Guidelines that will be applied when negotiating EPAs with the EU.

SADC will have to consider a number of difficult decisions about its stance in EPA negotiations:

- How to ensure that key issues for SADC are considered favourably in the ACP negotiations due to start in September 2002.
- How to handle the considerable differences between Member States in terms of incomes and economic structures.
- How to handle the different and overlapping economic groupings in the area

A simplistic approach to the creation of an EPA for Southern Africa would be to think of extending the current EU-South Africa trade agreement. Because of the very different needs of the other SADC Member States this would, however, mean that the EU-SA agreement would have to be adjusted and most probably renegotiated. Considering the time taken in negotiating the SA-EU agreement, this would hardly amount to a shortcut route.

Looking at the various economic groupings in the Southern and Eastern African region and their emerging strategies, we find *firstly* that SACU already is a Customs Union and is likely to remain so. *Secondly*, both COMESA and EAC aim at achieving a Customs Union by 2004. This means that in some two years time there might be three different customs unions involving SADC members. Because of the logical impossibility that Kenya, which is a member of both EAC and COMESA, can have two *different* external tariffs, EAC and COMESA will have to use the *same* Common External Tariff (CET), (or Kenya will have to exit from either EAC or COMESA). SACU and COMESA-EAC, each being fully fledged customs unions, might then independently negotiate EPAs with the EU.

This would, however, leave (the non-SACU and non COMESA-ECA) Angola, DRC, Mozambique and Seychelles outside any EPA²⁵. The former three, being classified as “Least Developed”, would still be able to benefit from a duty free EU market under the EBA²⁶ whereas Seychelles, according to the Cotonou agreement, would remain with a much less favourable GSP arrangement. If no EPA agreement succeeded, non-LDCs in SACU²⁷ or in COMESA-EAC²⁸ would end up with GSP schemes. Were such routes to be taken, it would also seem to go against the Cotonou principle of supporting regional integration, as it might present an obstacle for SADC on its way to a customs union.

²⁵ Except for Mozambique, these countries are members of COMESA but still have not accepted the plan to create a Customs Union by 2004.

²⁶ Everything But Arms (EBA) is a unilateral concession from the EU, abolishing virtually all import duties for the least developed countries. However it is not a legally binding agreement as an EPA would be, does not address trade related issues and has more restrictive rules of origin.

²⁷ Botswana, Swaziland, Namibia

²⁸ Egypt, Kenya, Zimbabwe, Mauritius and Seychelles

To avoid scenarios like those set out above, one might consider the concept of a greater eastern and southern African EPA, comprising both the present SADC and COMESA-ECA. The viability of such a model depends *firstly* on the will and ability of the participating countries and organisations to prepare a common negotiation platform with the EU. *Secondly*, it would be important for the greater EPA to pay due regard to the needs and characteristics of the different countries and allow the integration process to differ between countries or groups. This would perhaps be difficult in practice, but fully in line with the Cotonou principles.

At this stage, one can only speculate on how and whether a greater EPA might work. The likely prospect after 2004 would be that SACU and the COMESA-EAC common market entered into an Eastern and Southern Africa FTA “*en bloc*”, much in the same way as SACU now has entered the SADC FTA. The non-customs-union countries²⁹ would enter as individual countries. Were this to happen it would amount to a quite dramatic transformation in the way regional co-operation and integration is presently considered. The COMESA/SADC countries would have to jointly conduct very complex negotiations about the EU/EPA relations. One particular balancing act will be to ensure that the scaling down of import duties *vis-à-vis* EU does not proceed faster than it does *inside* the EPA, thus undercutting regional integration.

Analysts and observers in the region increasingly make mention of the possibility of an acceleration in SADC’s development towards a *Customs Union*. Although this certainly would solve a number of current problems in relation to the rules of origin, and put SADC in a different position for the future EPA negotiations, a rushed change of strategy towards a Customs Union may also create new problems. The analysis of such intricate problems as well as communication with political levels in each country will have to be a major item on the SADC Secretariat’s agenda.

Memoranda of Understanding for “Macro-economic Convergence” and “Co-operation in Taxation and Related Matters”

After an initial debate by the Council of Ministers, the Memoranda of Understanding (MOUs) on “Co-operation in Taxation and Related Matters” and “Macro-economic Convergence” were approved in June 2002. In August 2002 Finance Ministers signed the MOUs, which will provide a significant input into the development of a SADC Finance and Investment Protocol³⁰. Both MOUs make reference to the forthcoming Protocol and the Member Countries’ understanding that they will move towards the agreement of such a protocol.

The two MOUs embody similar clauses for settlement of disputes, amendment, revision and termination. The opt-out clause is simple: any

²⁹ SADC countries outside SACU and COMESA countries not participating in the COMESA Customs Union.

³⁰ Communique from a Meeting of The SADC Committee of Ministers Responsible for Finance and Investment held at Pretoria, South Africa, 8 August 2002.

Member State may withdraw from the arrangement given six months notice. The idea is to test the proposed arrangements “on the ground” in preparation for an eventual protocol.

The MOU for macro economic convergence spells out an understanding of the importance of macroeconomic stability for achieving SADC’s goals and constructs a framework for surveillance of macroeconomic developments in the Member States to achieve such stability. The focus is on four important macroeconomic variables: inflation, fiscal deficit, public and publicly guaranteed debt, and the current account of the balance of payments.

The procedure for surveillance is essentially a peer review system to be set up by a Committee of Ministers for Finance and Investment. Member states will present to the Committee of Ministers of Finance and Investment an annual “convergence programme”. This will build on agreed indicators and include a review of recent economic developments, progress relative to targets and the setting of future targets for a three year period. The committee will evaluate the convergence programmes submitted, determine whether they satisfy the common guidelines, advise on changes and make recommendations.

The Committee of Ministers of Finance and Investment will be in charge of the procedures. The institutional framework also includes a Committee of Senior Treasury Officials, which is a technical advisory body to the ministerial committee. The Committee of Ministers will also collaborate with a Committee of Central Bank Governors.

It is believed that one sticking point during the deliberations that led to the MOU was the role of the central banks. In most of the SADC nations, central banks have a strong position in the implementation of monetary policy. The role allotted to the Committee of Central Bank Governors by the MOU is merely that of a Committee that the Finance Ministers’ Committee will have to “collaborate with”. This appears not to reflect the high position of governors in most SADC countries.

With the MOUs approved and signed, a key issue will now be implementation. Whereas a more elaborate structure for resolution of disputes was initially contemplated, with the ultimate decision-maker being the SADC Tribunal, the settlement-of-disputes clause in the final MOU simply says that “Any dispute arising from the interpretation or application of this MOU will be settled through negotiation”.

The MOU gives the Committee of Senior Treasury Officials the task of taking the initiative to establish “any structure that may be necessary to facilitate the implementation of the MOU”. A monitoring and surveillance unit may be set up, perhaps within TIFI, to assess programmes presented by Member States, assist countries by co-ordination and preparation of regional projections, monitor development, run a macroeconomic database, and prepare reports on convergence programmes for the Council of Ministers.

The need for such a unit to issue clear and sometimes unpopular judgements would require a considerable degree of autonomy. Also, it would need to have close relations with statistical offices in Member States as well as the statistical branches with the Fund / Bank and preferably direct contact with the research departments of Ministries of Finance.

It is likely that the SADC macro convergence process will build up slowly, starting with fairly general assessments of the region's prospects and national policies and then progress to formal programmes. The "light" mechanisms of enforcement are indicative of the differences in the economies of the region and the member states' different attitudes about the importance of macroeconomic convergence.

The MOU on "Co-operation in taxation and other matters" sets the stage for Member States to harmonise the tax regimes of the SADC region and to co-operate in taxation matters. The preamble stresses the role of co-operation and reduction of economic imbalances in management and performance and prescribes co-operation in five different areas.

- Setting up a *regional tax database* which will describe tax rules, incentives offered, tax treaties and a limited number of statistics of revenue collection.
- Commitment to *capacity building of tax officials and institutions* and to regional co-operation for such capacity building.
- Harmonisation of the *application and treatment of tax incentives* including guidelines for such incentives and a fiscal framework for the advancement of a SADC competition policy.
- In the area of *direct taxes* the focus is on *treaties for the avoidance of double taxation*. This includes a common policy for negotiation of tax treaties and a (future) comprehensive treaty network within SADC, including the development of a SADC Model Tax Treaty as well as mutual assistance, co-operation and exchange of information.
- In the area of *indirect taxation* there is an understanding to explore co-operation for policy formation for excise duties on some specific products, including tobacco, alcohol and fuel products in particular with a view to reducing incentives for smuggling. Also prominent under this item is the perceived need to harmonise VAT systems and, in line with WTO agreements, the gradual substitution of taxes on international

Implementation and settlement mechanisms are simple. A Committee of Ministers for Finance and Investment and the Committee of Senior Treasury Officials are mentioned in connection with amendment and revision of the MOU but their roles are not defined. Member States will merely "give consideration to introducing mechanisms and procedures for the settlement of tax disputes between Member States, including the establishment of a SADC body for tax dispute settlement purposes".

The MOU contains some very clear recommendations and measures and it will be interesting to observe over time the extent to which individual

countries comply. One may hardly expect rapid progress as long as implementation mechanisms do not appear to have been considered.

The Taxation and Macro-convergence MOUs are expected, over time, to become addenda which serve to specify the clauses of a more general and legally binding *Protocol on Finance and Investment*. There are, however, (mid 2002) three additional MOUs that are meant to serve similar functions. These are at various stages of preparation:

- An MOU on *Investment* is probably the one nearest to completion and has been given a reading by stakeholders to be taken to the Council of Ministers.
- An *Insurance* MOU has been provisionally agreed by a number of countries
- A MOU on *Development Finance Institution (DFIs)* is perhaps the least developed.

Also related to the area finance and investment, the SADC Central Banks are working in four different fields:

- In the area of *payment systems*, the Central Banks have developed a “Guide to Developing a Strategic Framework for Payment System Modernisation”. The Guide is intended for the SADC members in the region, but could provide best practice reference material for a country which intends to develop, review and/or modernise its national payment system, especially in the developing world.
- Work is ongoing in the area of *Information Technology* to develop the capability of information technology functions in SADC central banks.
- A Subcommittee of the Committee of Central Bank Governors in SADC on *Exchange Control* has been established to gather detailed information on exchange control in SADC countries. The Subcommittee reviews and rates countries according to their degrees of liberalisation and currency convertibility and submits proposals on how to remove the remaining exchange control related obstacles to the free movement of goods, services and capital in the SADC region.
- Work is also ongoing in the area of *Central Bank legal frameworks*.

Although the final signature of the two MOUs does not appear to mark a major breakthrough, it signifies considerable progress on one of the two most important Protocols in the “new” SADC, the other being the Trade Protocol. With these two protocols ratified and under implementation, the process of integration will have taken a long step forward. To get there is, however, not easy. No deadlines appear to have been set and progress may not be swift in this area.

Signature and ratification of protocols

SADC's common policies and approaches are reflected by the Community's Protocols. A signed and ratified Protocol commits Member States to co-operate, co-ordinate, harmonise and integrate policies and strategies in one or more sectors. By 6 September 2002 there were 20 signed protocols and nine of them ratified by at least two-thirds of the Member States. There was no perceptible change from the situation a year ago.

1.8 Future Challenges of Restructuring

A key challenge for SADC's restructuring process is to prove that the new style organisation can be made to work and that it can deliver. The effort over the last year shows a positive but mixed picture. On the one hand, the closure of the SCUs and setting up of the Directorates at HQ in Gaborone has proceeded quite well and nearly all National Committees have been formally established. There is, however, some way to go before secretariat and SNCs are fully functioning. On the other hand, while the RISDP process has moved forward, it appears far from hitting the deadline. Also, there is a definite delay in the planned study of SADC's organisational structure which had, by June 2002, not yet taken off.

Compared to the optimistic timetable of the *Review of Operations Report* the restructuring effort has fallen behind. Since a catch-up is not likely, it seems clear that the whole restructuring exercise is going to take longer than originally planned. It is now believed that the completion of the whole restructuring exercise will need at least another two years³¹. An important implication of this is that seconded staff will be used longer and in greater numbers than initially planned and will require additional funding.

The situation is not yet critical but if the new organisation is not functioning by the end of another two years, there is a danger that *fatigue* may strike both Member States and International Co-operating Partners. The organisation may end up in a vicious circle: lack of delivery leading to lack of confidence and lack of finance, which again restricts delivery capacity etc. etc.

The SADC protocols express the future directions for the organisation. As pointed out above, progress on ratification / entry into force as well as implementation has not moved forward perceptibly during the last year. In the short run it is to be expected that the restructuring process will retard implementation of the protocols. Still, SADC has achieved progress in a number of areas. One may mention for example the ministerial decision dealing with a major part of the rules of origin problem within the FTA. Also, an early initiative was taken in relation to the emerging food crisis in the region. Not least important, MOUs on Macroeconomic Convergence and Co-operation in Taxation have been agreed and signed. A "mini" Donor Conference has been arranged.

³¹ Norwegian Support to Restructuring of SADC Institutions. Project Progress Report. July 2002

Overall, the obvious challenge for SADC will be to consider the reasons for delays and deal with them. However, reasons are complex and interwoven, comprise a number of different levels and will thus be difficult to deal with. The analysis below builds on a fair amount of speculation and guesses.

First, one should note that the various components of restructuring are *linked* so that a delay in one of them tends to affect the progress of the others. For example: Decisions on staffing should ideally not be taken before the study on the organisation structure and the staffing of the Secretariat has been undertaken. To conduct such a study it would, however, be necessary to be clear about the priorities of the organisation. These priorities would be set out in the RISDP which would therefore have to be completed *before* the start of the structure study. The “Catch 22” is that the lack of staff holds back the completion of RISDP which again holds back the structure study and therefore the solution of the staffing problem.

It is possible to bring about a short run solution by undertaking short-term recruitment. In fact, at the mini donor conference ICPs offered technical and financial resources to enable the organisation to make temporary shortcuts. These offers ought to be considered but SADC has not been generally responsive to this.

Second, it appears that offers of assistance from ICPs to solve short-term problems have not been accepted. Reasons for this could be lack of administrative capacity and delays, which it is possible to deal with. It is, however, also possible that it is due to a reason which it is more difficult to deal with. SADC, which in the past was said to be “donor driven”, is now overly concerned to avoid this syndrome. A much greater ICP input in terms of finance and technical assistance may well put SADC in a position where it becomes *reactive*, whereas ICPs in fact, by virtue of controlling the resources, will get substantial influence over the direction of the organisation.

Third, it is fairly clear that the HQ staff of SADC is still small compared to what it is expected to accomplish. Also, circumstantial evidence indicates that the bureaucratic culture about to be adopted in the organisation is prone to bureaucratic tactics of delay and avoidance of responsibility.

A **fourth** source of delayed action may be the character of interaction between the governing structures and the Secretariat. The lines of power and responsibility do not appear to be entirely clear. In some cases, the Council has indicated a tendency to deal with relatively minor technical issues instead of focusing on policy. There have been “snap” decisions by Council/ Summit, handed down to the Secretariat, without allowing time for due consideration of effects and side effects. One may hope for improvement if the ICM develops an appropriate style of interaction with the Secretariat.

Fifth, the less than expected achievement of SADC may be due to constraints and setting of priorities at the ministerial level. Ministers overwhelmed with work may tend to give higher priority to national issues than to SADC. There

will therefore be only very limited time to prepare positions on issues that are on SADC's agenda.

Sixth, there also appears to be little consultation between Member States in order to build joint positions before meetings of the governing organs. Positions may therefore be changed without much practical consideration and circumspection, and decisions become vulnerable to sudden impulses and politicking by perhaps only one or a few members.

Seventh, lack of a champion or a driving force for SADC may also be an underlying reason for the slower than planned implementation of the restructuring process. South Africa, as the giant of SADC, as also pointed out in Ch 2 below, is not likely to take a strong position as a "driver", perhaps out of fear for being seen by the other Member States as a "bully". The other countries are perhaps too occupied with domestic problems to form any strong group that may come forward as a driving force.

2 Revitalising the SADC Organ? Prospects for conflict management and security co-operation

Southern Africa and its 180 million people suffer from a multitude of threats to their security. Foundations may have been laid for peace in Angola, but several countries still suffer from violent conflicts, which in turn threatens the region's stability. The situation has been aggravated by the destabilisation caused by the prevalence of HIV/AIDS and the current food shortages and looming hunger in several countries. Poor and inadequate management of these conflicts and security threats will have a potentially disastrous and devastating impact on SADC's efforts to promote regional co-operation and integration. The need for peace and stability to ensure the achievement of the region's development objectives has been recognised in the SADC 1992 Treaty. The establishment of the SADC Organ on Politics, Defence and Security in 1996 failed to move the organisation closer to a realisation of these objectives. At SADC's August 2001 Summit in Blantyre, however, SADC adopted a *Protocol on Politics, Defence and Security Co-operation* and reached important decisions to make the SADC Organ more firmly part of the SADC structures. (Cf. CMI's 2001 SADC report for a presentation.)

Will these decisions help revitalise the Organ and bring SADC forward in its efforts to realise its Treaty objectives of promoting peace, security, democracy and good governance? This chapter will first review the efforts to implement and operationalise the 2001 decisions. It will then assess the organisation's efforts to deal with its current single biggest challenge – the crisis in Zimbabwe. This will also include a discussion of the role of South Africa – the main regional power within SADC. The chapter concludes with an assessment and identification of key challenges.

2.1 Operationalising the SADC Organ

The Protocol signed by SADC Heads of State and Governments in August 2001 provides for a fairly elaborate structure of the Organ.³² It is led by a Troika (composed of the current, outgoing and incoming Chair) reporting to the SADC Summit. Under the Troika there is the *Ministerial Committee* comprising SADC Ministers responsible for foreign affairs, defence, public security and state security. Under this Committee two ministerial subcommittees are envisaged. First, an *Inter-State Politics and Diplomacy Committee* (ISPDC) is to be established comprising ministers responsible for foreign affairs. The ISPDC shall perform such functions as may be necessary to achieve the objectives of the Organ relating to politics and diplomacy.

³² SADC Protocols are in force when they have been ratified by two-thirds of the member countries. The protocol on politics has been ratified by 5 countries per September 2002). The protocol is, however, treated as if it has been ratified and the text itself has been published by the SADC Secretariat in a separate leaflet.

The second subcommittee is the well-established *Inter-State Defence and Security Committee* (ISDSC) comprising the ministers responsible for defence, public security (policing) and state security (intelligence). It has been in existence for more than 20 years (until 1994 better known as the Frontline States) and has a fairly elaborate substructure, especially under the Defence subcommittee and a range of sub-sub committees in functional areas of co-operation. Lesotho currently chairs it, with Angola set to take over in the second half of 2002 . (One option to be decided is whether the country chairing the Organ shall chair ISDSC.)

The Protocol also stipulates that the SADC Secretariat in Gaborone should service the restructured Organ (previously the country chairing the Organ was also supposed to provide the required secretariat services).

The Protocol also lists a number of policy objectives. They basically revolve around collective security (preventing violent conflicts between each other); collective defence (ally with each other in joint defence against external threats); governance, democracy and human rights; development of common foreign policy approaches in international fora; and building joint capacities in areas such as peacekeeping, disaster management and co-ordination of humanitarian assistance.

A number of related protocols – such as the *Protocol against corruption*, and the *Protocol on the control of firearms, ammunition and related materials* – outline similar principles, especially in the area of governance and collective security. (See more on the corruption protocol in Ch. 4.) A mechanism to deal with disputes arising between member states is also to be established following the signing of the *Protocol on Tribunal and the Rules of Procedure Thereof*.

Still, substantial work remains to be completed before these principles can be operationalised and become an integral part of SADC's efforts to promote peace and security. Mozambique, elected the first Chair of the new SADC Organ at the August 2001 Summit, has been in charge of operationalising it. A number of steps have been taken over the last year. At the institutional level it was decided in May 2002 to establish the ISPDC. According to the plans the ISPDC shall have two subcommittees.³³ One focuses on politics and governance. This committee will address issues such as good governance, human rights and the rule of law, corruption, etc. The second committee will focus on diplomacy, addressing issues such as early warning and prevention of violent conflict, conflict management and various global policy issues which may require co-ordinated positions by SADC countries.

The precise role of the SADC Secretariat does not appear to have been clarified. The Secretariat did in late 2001 prepare the terms of reference for the hiring of staff to administratively service the Organ. The SADC Council of Ministers at its meeting in June 2002 decided to let the Secretariat invite

³³ The factual information on the planned structure and policy is based on a briefing to the team by Defence and Foreign Affairs officials in Mozambique and especially South Africa.

member countries to second personnel to fill two positions as political officials servicing the Organ. A final staffing will await the study of SADC's organisational structure as well as further clarification of the needs of the Organ. A key issue here will be an interpretation of what is implied by "servicing". It may be interpreted as simply providing basic administrative assistance to the Organ, but it could also imply the establishment of a stronger political unit with the Secretariat.

The Secretariat itself appears to play a peripheral role in the evolving discussion of the institutional structure of the Organ. These issues are mainly dealt with by the political Organ structures. The Secretariat does, however, have one official working on related issues through SADC's European Union-funded "Special programmes" on small arms, drug trafficking and demining (cf. CMI's 2001 report). These special programmes are scheduled to be included in the Directorate for Social and Human Development and Special Programmes (SHDSP), but they may also more directly be related to the planned unit servicing the Organ. In any case these programmes will have to fit into the work of the Organ.

The planned organisational structure has been developed as part of a *Strategic Indicative Plan* for the ISPDC. This plan and the proposed structure were expected to be submitted to the SADC Summit for approval in the second half of 2002.

Similar developments have taken place under the auspices of the ISDSC. A *Mutual Defence Pact* has been drafted and is to be submitted to the SADC Summit for consideration.³⁴ Such a defence pact is, however, likely to be difficult to implement. It usually requires greater supra-national authority compared to a mere collective security arrangement and it presupposes a willingness to supply mutual information on e.g. defence procurement which in the end many member countries may be reluctant to do.

The ISDSC has witnessed setbacks on other fronts. The *SADC Regional Peacekeeping Training Centre* (RPTC) based in Harare has made significant progress in becoming a more regionally owned institution with staff from several SADC countries. Although nominally controlled by the Zimbabwe Ministry of Defence it was increasingly recognised as a regional institution reporting to the Defence substructures of the ISDSC. With the main donor (Denmark) suddenly deciding in early 2002 to withdraw its funding, the RPTC virtually ceased to offer training courses, bringing to a preliminary end one of the identified priority tasks for the SADC Organ. The future of the RPTC remains undecided at the time of writing, although Zimbabwe has officially announced that the RPTC will continue to operate.

³⁴ A first draft was submitted to the August 2002 Summit but it was then decided that further consultations were required. This team has not consulted the last draft but was informed that it does not deviate from the previous draft in any significant way. The Pact provides for mutual assistance in case of external threats, but does not provide for assistance in cases of internal threats to state security as some member states originally had called for.

There has been notable progress within SADC in developing a common approach to the Organ and its area of operation. This is significant considering the political divisions and tensions within the organisation. One may expect progress in building functional co-operation in a number of areas under the auspices of the Organ. Significant work remains to be done in relation to developing policies in the areas of operation. Among senior officials in South Africa there was a clear expectation that this development would reflect the advances and decisions reached under the auspices of NEPAD and its efforts to develop an approach to governance, conflict management and enforcement mechanisms (see also Ch. 3). One may also add that important impulses towards the evolving policies of the Organ will come from SADC's efforts in other areas such as combating corruption and promoting good governance in various other sectors. Likewise the work of associated organisations such as the Parliamentary Forum (see below) and non-governmental organisations will be important (see Ch. 4).

Principles and policies do not, however, easily translate into implementation and politics. Practice may be entirely different, especially when there is a need to use enforcement against unwilling groups or member countries. In assessing the prospect of the SADC Organ we shall therefore take a close look at the case of SADC and the crisis in Zimbabwe.

2.2 The Zimbabwe crisis, SADC and South Africa

SADC has had to confront a number of grave security problems threatening the region's stability and development. The wars in Angola and DRC, the violent conflict and state collapse in Lesotho and most recently the deepening crisis in Zimbabwe have all been addressed in different ways and in an *ad hoc* manner by SADC and its members. This is not surprising. Lack of functioning security architecture and established channels for managing conflicts in the region also imply that such challenges will be tackled in different ways in each specific case.³⁵

The economic meltdown and deepening political crisis in Zimbabwe have serious implications for its neighbours and the Southern African region. Economically, Zimbabwe had the second (presently the third) largest economy in the region; it plays a crucial role in linking most of the region's energy and transport systems and has traditionally been a breadbasket for southern Africa. The further deterioration is likely to slow down the implementation of the trade protocol and weaken the economic cohesion in the region. Potentially, millions of Zimbabweans may also flee the country and take refuge in neighbouring countries, further contributing to the destabilisation in the region.

Politically, Zimbabwe is also in a deepening crisis with deteriorating governance and growing mal-administration and lawlessness. There are no

³⁵ Cf. Peter Meyns, "The ongoing search for a security structure in the SADC Region: the re-establishment of the SADC Organ on Politics, Defence and Security", 24 pp., paper prepared for the *NEPRU Regional Integration Monitoring Workshop*, Windhoek, 1-2 June 2002.

prospects of peace and stability in the near-to-medium term. This has further aggravated the economic crisis and Zimbabwe's role in weakening the regional project. Historically, Zimbabwe has played a formative and decisive role in moving the regional project forward.

The other SADC member countries have recognised the crisis in Zimbabwe and the issues have been raised with growing concern at several meetings of the organisation. A number of initiatives have been taken to help reverse the economic decline and political instability in that country.³⁶ At the August 2001 Summit a task team led by Malawi (the Chair of SADC) was assembled to work with Zimbabwe. Led by the Malawi President, it travelled to Harare on 11 September and came with fairly strong and public criticism of the policies of the Mugabe regime. It called for specific steps to establish a dialogue with the opposition and for the restoration of law and order. This was a significant meeting. For the first time in SADC history SADC member countries joined ranks in publicly critiquing another member country.

However, the September intervention failed to achieve the desired impact. President Mugabe did not change his policies. SADC did not respond with any counter measures or public criticism. Indeed the SADC response throughout the slide towards increasing authoritarianism in Zimbabwe, and increasingly as the country entered the election period, can be characterised as defensive and ultimately a closing of the ranks. In the aftermath of the election the SADC Council of Ministers declared the process to be free and fair. Although some countries were clearly unhappy with the elections, most came out strongly supportive of the electoral outcome, including the current and incoming chair of the SADC Organ, Mozambique and Tanzania, as well as the SADC Chair itself, Malawi. Many SADC countries also sent their own observer missions and – as was the case of Malawi – made great efforts to secure a composition of the team that would ensure a positive assessment of the election.³⁷

There was one important dissenting voice. The Windhoek-based SADC Parliamentary Forum dispatched a strong observer mission to Zimbabwe Presidential election. They concluded – in contrast to their rather weak report from the 2000 parliamentary elections – that those elections failed to comply with the criteria for free and fair elections. More particularly, they found that the elections violated most of the SADC Norms and Standards for elections.³⁸

³⁶ See a good overview in Shannon Field, "When Neighbours Stray. Political implications for the SADC Region of the situation in Zimbabwe", pp 21, paper prepared for the HF Guggenheim Foundation sponsored conference on Zimbabwe's crisis and impact on the Southern African region, London, 15-16 June 2002.

³⁷ The information on Malawi is based on personal communications to the team from separate sources.

³⁸ The Norms and Standards are not legally binding. They are simply guidelines issued by the Parliamentary Forum. Cf. SADC Parliamentary Forum, *Norms and Standards for Elections in the SADC Region. Recommendations adopted by the SADC Parliamentary Forum Plenary Assembly on the 25th March 2001 Windhoek, Namibia*, Windhoek: SADC Parliamentary Forum 2001. Their report from Zimbabwe (unpublished when the team visited Windhoek in June) is available as *Observation Mission Report. Zimbabwe Presidential Elections 2002*, n.p. (Windhoek): SADC Parliamentary Forum 2002. The Parliamentary Forum is not formally part of the SADC structures, but the

However, it should be added that only a narrow majority of the 36 member mission supported this conclusion.³⁹

It is therefore difficult to escape the conclusion that SADC has not sufficiently pursued the issue of governance and human rights since it began to address the worsening situation in Zimbabwe in 2000. Instead, it may be concluded that the SADC “approach to Zimbabwe was guided more by the need to maintain stability in the region, the desire on part of some to maintain the bonds of solidarity between liberation movements, and to guard against the rise of ‘reactionary’ opposition parties”⁴⁰

What then about South Africa? What role can that country play in pursuing SADC’s commitment to peace and security, democracy and good governance? South Africa has been clearly unhappy with the growing instability in Zimbabwe. This seems to be particularly motivated by the economic impact (Zimbabwe was South Africa’s most important export market in Africa, the economic crisis there has affected investor confidence throughout the region; and the situation in Zimbabwe has contributed to the fall in the value of the South African Rand) but also fear of the consequences of the potential influx of millions of Zimbabwean fleeing their country and taking refuge in South Africa. Already, South Africa may have as many as between one and two million illegal immigrants from that country.

In addition to these motivations South Africa was also concerned and embarrassed by the poor governance and growing authoritarianism, particularly as South Africa itself was developing criteria for good governance through the NEPAD initiative (cf. Ch. 3). These political concerns were, however, coupled with, on the one hand, a reluctance to accept the Zimbabwe opposition, the Movement for Democratic Change (MDC), preferring instead to see changes coming through the ZANU-PF. This was a result of historical loyalty and solidarity between former liberation movements (despite the fact that the ties between the ANC and the ZANU-PF never had been particularly close) reinforced by a growing fear within the ANC that MDC may become a model for a joint business-labour opposition to the ruling parties in the region. This was reinforced by what was seen as MDC’s shift to the right through establishing dialogue with opposition parties such as the Democratic Alliance in South Africa and Renamo in Mozambique.⁴¹

South Africa’s policies towards the Zimbabwe crisis must also be seen against South Africa’s reluctance to pursue unilateral policies. It got its fingers burnt when it called for sanctions against the Abacha regime in Nigeria in the 1996 and was deserted by other African countries. President Mandela’s critique of the policies of the Zimbabwe government only contributed to what South Africa perceived as isolation from the other countries in the region and to a

organisation is likely to play an important role if SADC is to achieve its goal of becoming more “owned” by the peoples of the region (see also Ch. 1)

³⁹ Personal communication to the team by an anonymous but reliable source.

⁴⁰ From p. 4 in S. Field *op.cit.*

⁴¹ These points are made *inter alia* in P. Bond: “Zimbabwe. Pretoria’s new African dilemma”, *Indicator South Africa*, vol. 19, 2002, 1: 15-29

stalemate in the operationalisation of the SADC Organ. President Mugabe retains a strong popularity on the African continent. Mugabe may have a strong opposition at home and he may have stolen the election but he is still seen as a popular leader throughout the Southern African region and further north on the African continent. He is regarded as a political leader standing up against colonialism and imperialism. It was felt in Pretoria, and probably rightly so, that any unilateral action could lead to the isolation of South Africa and undermine its ambition to develop NEPAD and shape the African Union.

This provided the framework for the formulation and implementation of South Africa's policy towards Zimbabwe.⁴² The policy was characterised by what South African leaders referred to as "quiet diplomacy". South Africa has been strongly opposed to any form of sanctions against Zimbabwe, even taking the opposite position by instructing parastatals to provide goods and services (e.g. electricity) in periods when Zimbabwe has been unable to provide payment for their imports. On three occasions President Mbeki criticised the regime in Zimbabwe in public. On one occasion, such a public denunciation produced the desired result. In April 2001 South Africa protested against war veterans' invasions of South African businesses in Harare. The next day the security police were sent in to end these violations.

South Africa preferred to work through the regime and was seen as increasingly wanting to stay away from criticising the regime. This reached its climax immediately after the election when the majority of the members of the official South African observer team produced a statement supporting the election by declaring it "legitimate".⁴³

Since then, South Africa has worked through the Commonwealth in facilitating a dialogue between the two parties. It has also reportedly drawn up a list of "moderates" within the ZANU-PF and is attempting to strengthen their hand. The problem and the challenge for South Africa are that none of these initiatives are producing the desired results and that the crisis is deepening. The dialogue itself also deadlocked in mid-2002 with no solutions in sight.

South Africa's position seems to be guided by the wish to avoid making tough unilateral decisions as well as to avoid actions that may hold the risk of making the situation even more unstable and unpredictable. The problem for South Africa is that SADC is not an organisation that will or can take the lead in the short-to-medium term. The mechanisms to be established under NEPAD and the African Union may only become operational some time in the future. The situation in Zimbabwe may therefore worsen in the time to come, with serious implications for Zimbabwe – and for regional co-operation.

⁴² See also a good background in Maxi Schoeman: "Objectives, Structures and Strategies: South Africa's Foreign Policy", pp. 73-84 in *South African Yearbook of International Affairs 2001/02*, Johannesburg: South African Institute of International Affairs 2001. S. Field *op.cit.* provides a good overview of South Africa's evolving Zimbabwe policy.

2.3 Future prospects

The SADC Organ on Politics, Defence and Security Cooperation is still far away from the role envisaged for it in the SADC Treaty and in the new Protocol on Politics, Defence and Security Co-operation. The Organ lacks operational policies, financial resources and operational capacity. The majority of SADC member countries have not even ratified the protocol. The Organ, like the OAU mechanism on conflict prevention, will be further handicapped with the strong - some would say obsessive - emphasis on solidarity among member countries. Respect for sovereignty and independence will seriously hinder attempts to confront conflicts over territories, human rights abuses or authoritarianism.⁴⁴ (Cf. also the discussion of NEPAD/AU in Ch. 4.)

Despite these rather negative comments it must be emphasised that SADC has made some bold attempts to address such issues and to establish procedures and mechanisms for intervention. We are likely to see further progress along these lines – under the auspices of the formal SADC institutions such as the ISPDC or the ISDSC, from associated institutions such as the Parliamentary Forum, from regional NGOs and regional networks, and from practices and governance criteria emerging out of joint projects in a range of sectors. Impulses and standards from outside the region will also increasingly impact upon SADC's work – such as demands and prescriptions from aid donors, and from participation in multilateral co-operation such as the African Union and NEPAD.

As long as national sovereignty remains unaffected – and it nominally will for the foreseeable future – SADC as a multilateral body will impose itself primarily in terms of common standards and practices. Those standards may become increasingly strong and it will increasingly be more difficult and more costly to deviate. In some cases we may see strong efforts by SADC or individual member countries to assist countries in solving their problems and lay the foundations for stability. The 1998 military intervention in Lesotho was a disaster and probably violated international law as well, but the subsequent political assistance by SADC to the tiny mountain kingdom was particularly welcome and valuable. Led by South Africa, it helped mediate a mechanism for negotiations between the political parties, negotiated a new electoral law and provided technical assistance, which paved the way for a successful general election in 2002. Important agreements of economic co-operation have also been signed between Lesotho and South Africa.

The Lesotho case illustrates a typical trend. South Africa acts unilaterally and at a later stage appropriate multilateral bodies such as SADC endorse it. The military intervention was first referred to as a “SADC operation” in the communiqué from the SADC Summit after the intervention.

⁴⁴ See also A. van Nieuwkerk: “Conflict Management in Africa: Southern Africa's experience with security co-operation”, *Journal of Peace, Conflict and Military Studies* (Harare) vol. 1, No 2: 23-46

South Africa may not have been able to play the constructive role in Zimbabwe as many outside observers hoped for, and its analysis may have underestimated President Mugabe's ability to resist "constructive engagement". This does not imply, as the case of Lesotho illustrates, that South Africa is negligent of conflicts in the region. It has with increasing effort asserted itself as a regional power and sought to facilitate conflict resolution on the continent. This has most importantly included the Great Lakes region. It has helped mediate a political settlement in Burundi and has deployed military peacekeepers in that country.

In the DRC, South Africa has pursued a peace agenda since the fall of the Mobuto regime. A first breakthrough came with the 1999 Lusaka Agreement when the six countries fighting in Congo signed an agreement. That agreement helped to dampen the conflict a little and officially launched internal negotiations. The negotiations finally got going after the death of the DRC President Laurent Kabila and were assisted by the official talks' facilitator Ketumile Masire, Botswana's former president. These talks began in Sun City in South Africa in February and when they failed to meet the April deadline, President Mbeki intervened and a partial agreement was reached to form a power-sharing transitional government. The agreement excluded the main rebel group, backed by Rwanda and it was therefore clear that it could not work. A major failure was that the agreement did not address an issue of major concern to Rwanda: the Hutu militias and former members of old Rwandan army who fled to Congo after the genocide. Mbeki therefore decided to address the problem by bringing the DRC and Rwanda presidents under his eye to thrash out an agreement. The two presidents eventually agree to let South Africa, as chair of the AU together with the UN, constitute a third party to supervise any agreement reached. An agreement was finally mediated in July 2002. DRC agreed to round up and return Hutu rebels to Rwanda, which agreed in turn to withdraw its troops once the third-party referees (South Africa and the UN observer mission in DRC) had certified the Hutus were under their control.

The agreement itself does not bring peace to DRC, the newest member of SADC. There is a range of implementation problems (not least the dispatch of a monitoring force with sufficient peace-enforcing mandate to verify the disarming of the Hutu militias, the *interahamwe*). Despite these challenges the agreement is significant – and it is an agreement made possible by South Africa's efforts.

However, South Africa's capacity is limited. It already faces serious obstacles in managing and implementing its policies in the complex conflicts where it has become involved. It lacks sufficient senior officials with the required skills to pursue this over extended periods of time. At the same time the experiences so far have underlined the importance of working through multilateral and intergovernmental bodies.

3 SADC and Continental Development Efforts: AU / NEPAD

As one of Africa's Regional Economic Communities (RECs), SADC will play a role both in the region and continentally through a number of links between the various regional and continental organisations. Below, we set out, in some detail, emerging changes in African co-operation, particularly focusing on AU and NEPAD with a view to exploring consequences for SADC and its relations with the rest of the African continent.

SADC is a **Regional Economic Community** (REC). Among the 10 RECs in Africa that are fairly visible, at least two could be characterised as dormant. The following five (including the two dormant ones) are regarded as “pillars” or building blocs of the African Economic Community (AEC):

The Arab Maghreb Union (AMU);

Economic Community of Central African States (ECCAS);

Economic Community of West African States (ECOWAS);

Common Market of Eastern and Southern Africa (COMESA);

Southern African Development Community (SADC).

In addition to RECs, the continent also has a number of *functional* organisations with continental (or near continental) coverage, of which about half are so-called specialised organisations, formerly under OAU, now the African Union (AU).⁴⁵

The future of these organisations under the AU is not entirely clear. Their track records have in many cases been disappointing or nearly invisible. A review of the Agencies to “determine their continued relevance” and to make “concrete proposals on their possible incorporation as Specialised Agencies of the AU” is under way.⁴⁶

A number of *Conventions, Charters and Declarations* cover areas such as “Human and Peoples Rights”, nature and natural resources, maritime transport, nuclear free zone, research and development, information, refugees, mercenary activities and terrorism. There is also a Cultural Charter for Africa.

A fourth category of agreements comprises those that *focus African problems but are either issued by non-African countries or signed by both African and non-African countries*. To this category belong the Africa Action Plan, which is essentially the G8 answer to the NEPAD framework, the Genoa plan (containing the first reaction of the G8 to NEPAD), the Africa Growth and

⁴⁵ African Accounting Council; African Bureau for Educational Sciences; African Civil Aviation Commission; Pan-African News Agency; Pan-African Postal Union; Pan-African Railways Union; Pan-African Telecommunications Union; Supreme Council for Sports in Africa.

⁴⁶ AHG/Dec. 1 (XXXVII). Decision on the implementation of the Sirte summit decision on the African Union.

Opportunity Act (AGOA), the Africa-Europe Summit (Cairo Declaration and Plan of Action), Beijing Declaration and Programme, and the Tokyo declaration on African Development (TICAD).

3.1 From OAU to AU

The Organisation of African Unity (OAU), established in 1963, comprised by 2001 practically all African countries. It has for some time been widely recognised that the organisation needed change. *First*, the need for greater organisational efficiency had become very clear. *Second*, there has been an emerging consensus that conflicts and undemocratic regimes constitute important blockages to development and that it is one country's right to be concerned about the internal affairs of another. This has made it necessary to reconsider the OAU principle of non-interference. *Third*, the criticism that OAU has kept undemocratic and dictatorial heads of state in power has been widely accepted.

Change was precipitated in 1991 by the signing of the declaration of the African Economic Community (AEC). The new and ambitious social and economic goals needed a different organisational structure than that of an essentially political organisation such as OAU. Still, the OAU secretariat was given to act as a secretariat for AEC.

A major step on the way to the AU was taken in 1999. At the OAU Extraordinary Summit in Sirte, Libya, it was decided to "Establish an African Union in conformity with the ultimate objectives of the charter of our Continental Organisation and the provisions of the Treaty establishing the African Economic Community"⁴⁷.

The OAU /AEC summit in Lusaka 2001 advanced the planning of the African Union further by mandating the Secretary General to work out details of the procedures of the organs, set up the Economic Social and Cultural Council, incorporate a mechanism for conflict prevention and management into the Union (including the role of RECs), as well as consider the future role of specialised agencies and technical committees. A *transitional* period of one year (11 July 2001 to 10 July 2002) was agreed.

The AU Constitutive Act came into force on 9 July 2002. The inaugural meetings were held in Durban, South Africa. The OAU's former General Secretariat will, for an *interim* period of one year, serve as the AU Commission.

The Act includes, as OAU did, reference to unity and solidarity, sovereignty, territorial integrity and independence, but the focus has moved further, to social and economic development and *integration*. The co-ordination of existing and future RECs as a start of the gradual attainment of objectives of the Union is underscored. The Act calls for the establishment of "necessary

⁴⁷ Sirte Declaration. Fourth Extraordinary Session of the Assembly of Heads of State and Government. 8-9 September 1999, Sirte Libya. EAGH/Draft/Decl. (IV) Rev. 1

conditions that will enable the continent to play its rightful role in the global economy and in international negotiations”.

The AU organisation

The supreme organ of the AU, as now set up, is the *Assembly*, which comprises all Heads of State and Government. The *Executive Council*, which will feed into the Assembly, is a meeting of Ministers of Foreign Affairs (or other ministers dealing with the AU). The *Permanent Representatives Committee* is set up at the Ambassadorial level and will work closely with the Commission feeding into the Executive Council.

The *Commission* is the key administrative organ and will be headed by the Chairperson of the AU, assisted by a Deputy Chairperson and Commissioners as well as a secretariat. A number of Specialised Technical Committees will be established under the Commission. They will be headed by the eight commissioners for, respectively, Peace and Security; Political Affairs (including Human Rights, Democracy, Good Governance); Infrastructure and Energy; Social Affairs; Human Resources (incl. Science and Technology); Trade and Industry; Rural Economy (incl. Agriculture); and Economic Affairs.

A *Pan-African Parliament* will, at least at the beginning, have advisory and consultative powers and is not elaborated in the Constitutive Act.

AU is aimed at a much more extensive consultation and openness towards the public than the OAU, which was based largely on state to state relationships. The *Economic, Social and Cultural Council* (ECOSOCC) will provide for civil society participation. Details for the set up of ECOSOCC are not yet entirely clear.

The Constitutive Act also provides for a *Court of Justice* and a Protocol on its statute, composition and functions. The exact form of the Court of Justice is not yet clear. Similarly unclear are the financial institutions incorporated in the Act: The African Bank, The African Monetary Fund and the African Investment Bank. Rules and regulations for these institutions are to be defined in protocols.

The *Peace and Security Council* of the AU would comprise 15 African countries and have powers to deal with conflict and security issues under the new African Union (AU). Not much is known about the council at the present time.

The African Economic Community and the AU

The AEC treaty spells out the social, economic and other goals of the AU. It also spells out roles and functions of AEC organs that are largely identical with those in the AU Constitutive Act. The two parallel pieces of legislation may, in certain respects, not be fully compatible or may contain contrary provisions. Article 33, para. 2 of the Constitutive Act states that “The provisions of this Act shall take precedence over and supersede any inconsistent or contrary provisions of the Treaty establishing the African Economic Community”.

The goals and objectives in the AEC treaty cover a broad range of structural, economic and social issues: The roles of the RECs (Chs IV and XIX) are envisaged to be particularly important in the earlier stages of the implementation of the AEC. On economic issues the Treaty calls for trade liberalisation, freedom of movement for persons, rights of residence and establishment and deals with money, finance and payments, food and agriculture, industry, science, technology, natural resources and environment, transport, communication and tourism as well as standardisation of measurement systems. In the area of social affairs the Treaty comprises education, training and culture, human resources, social affairs, health and population and solidarity development.

Short term challenges for the AU

During the interim period of a year following the Durban meetings, considerable attention will have to be paid to setting up the new organisation and its secretariat⁴⁸. Apart from building a viable and transparent Commission to serve as the Secretariat of the African Union, arrangements are needed for the new organs related to the AU, such as the NEPAD, the CSSDCA, the Peer Review Mechanism and the Security Council. Also, the organisation will have to change the character and extent of its relations to the civil society organisations.

Another important issue is the financing of the new organisation. In the optimistic mood of the Durban conference this perhaps seemed like a small matter, but it should be remembered that a number of countries had not paid their dues to the OAU. An Eminent Persons Advisory Panel that was established in Lusaka in 2001 to assist the Secretary-General and advise him on the way forward with the transition process called for the establishment of an African Union Development Trust Fund (AUDTF). The panel felt that this would help to generate and attract extra-budgetary resources to support development projects⁴⁹.

It is likely that the new organisation will start functioning beyond the formal level of meetings and resolutions only considerable time after the interim period. Although the official reactions from EU, the UK and China were very supportive, the international press and observers have received the move from OAU to AU with some commendation but considerable scepticism. The sceptics, however, do not focus on formal faults and weaknesses in the goals and organisational plans expressed in AU/AEC documents and agreements. Critical remarks are rather based on the poor track record of the OAU which, according to one, "had presided over 40 years of suffering". Several commented unfavourably on the fact that the Durban meetings did not cover the pandemic of HIV/AIDS in any substantial way.

⁴⁸ The Interim Chairperson of the Commission of the African Union, Mr. Amara Essy, on Tuesday, 23 July 2002. AU Press Release No. 06/2002. "Interim Chairperson of the Commission of AU Outlines his priorities"

⁴⁹ African Union news service: <http://www.africa-union.org/en/detail.asp?id=161>

A successful start for the AU?

The important role played by Libyan leader Muammar Gaddafi in the transition has been interpreted as a negative factor not only by Western commentators. It is likely that the Libyan leadership also gave rise to the initial reluctance among African leaders. It is fairly widely assumed that Col. Gaddafi paid outstanding dues to the OAU for certain countries in arrears and thus built up support for the AU idea possibly with the intention of bringing the HQ to Libya. The present support by African leaders perhaps indicates that the AU is an idea whose time has come. The AU may be seen as an attempt by the African leaders not to have the continent increasingly marginalised among the economic and political blocs that are being built internationally.

It should of course be noted as a success that over 50 heads of state came together and managed to agree about such important and farsighted objectives. Still, considering some of the more laudatory remarks and speeches it is hard to escape the feeling that political and economic integration is looked at as an *event* - not as a *process*.

AU/AEC is often said to have taken key features from the EU. One would be well advised to remember the long and arduous way that the EU has gone over some 50 years, although it started from a much better position than the AU. The embryonic EU had e.g. only a fraction of the number of countries which are now AU members, there was a leadership in the Bonn-Paris axis and a competent and well-paid bureaucracy.⁵⁰

On the “fringes” of the AU summit, the talks between President Joseph Kabila of the DR Congo and his Rwandan counterpart, Paul Kagame, could be seen as an early success for the AU. (Cf. Ch. 2) Initiated at the Durban summit, the talks led to the signing of an agreement between the two countries on 1 August 2002. The parties to the treaty acknowledged that the launch of the African Union, among other things, presented a window of opportunity for resolution. The two countries had been waging a war that killed two million people.

It is not easy to predict how AU will develop. The cause of pan-africanism seems to have taken a step forward through the transformation of the old continental and predominantly *political* organisation OAU into an AU aimed at economic integration and social development and with political and economic unity as ultimate aims. Also, the move away from OAU's preoccupation with non-interference, presages a time when African states will be able to criticise and discipline leaders that break rules of good governance. Also, the new organisation has moved away from the “statism” that was predominant during most of the OAU era and created an opening for civil society and the private sector.

⁵⁰ For an interesting attempt to draw lessons for AEC from the EU see: Olufemi A. Babarinde: Analysing the Proposed African Economic Community: Lessons from the Experience of the European Union. (Prepared for the Third ECSA – World Conference on the European Union in a Changing World, Belgium, September 1996. <http://www.ecsanet.org/conferences/babarinde.htm>)

Even after the Durban meetings that agreed on a number of procedural protocols for the governing bodies of AU, the specifics of running the organisation are unclear. According to the European Commission in its official reaction to the launching of the AU “the establishment of the AU will be a highly complex process, requiring political courage, institutional innovation, time and experimentation”.

The success of the AU will depend on mobilisation of political will, organisational capacity and financial resources. Unfortunately, available information does not support the case for a strong and quick takeoff for the AU. There are signs of serious rifts at the political level, and the present organisational capacity is low and apparently plagued by internal strife and underpaid staff. On the financial side the organisation, which has inherited considerable arrears from the OAU because of members’ non-payment, will have to roughly double its annual budget to a number probably in the region of USD 80 million.

Perhaps as important as capacity and finance, AU requires a plan for action, clear priorities and a driving force. The question of whether or to what extent the New Partnership for Africa’s Development (NEPAD) may supply the necessary dynamics to AU is dealt with in section 3.2 below.

3.2 Emergence of NEPAD

It is mistaken, as is often done, to regard the New Partnership for Africa’s Development (NEPAD) as a stand-alone initiative by the South African President. The tabling of the NEPAD initiative at the inaugural AU sessions in Durban in July 2002 was the result of a process of consultation between several African leaders and organisations, prominently among them the OAU/AU.

Starting at the 1999 September in Sirte the OAU Summit prevailed on Presidents Mbeki, Bouteflika and Obasanjo to raise a number of issues of concern to African leaders with key western organisations like the G8 and the IFIs. The responses from these organisations served to supplement the African views and came to be a strand of the thoughts constituting the Millennium Africa Plan (MAP), which was presented in Sirte alongside President Abdoulaye Wade’s Omega plan.

The call from the Sirte Summit for a merger of MAP, Omega, the ECA’s “New Global Compact with Africa” and other similar initiatives led to the (then) New Africa Initiative, which in July 2001 the OAU Summit in Lusaka adopted as “Africa’s principal agenda for Development,...,within the institutional framework of the African Union”.

What is NEPAD?

In the following short description of the content of the NEPAD document⁵¹ the initiative is characterised as a “development programme placing Africa at the apex of the global agenda, by:

- Creating an instrument for advancing a people-centered sustainable development in Africa based on democratic values;
- Being premised on recognition that Africa has an abundance of natural resources and people who have the capacity to be agents for change and so holds the key to her own development; and
- Providing the common African platform from which to engage the rest of the international community in a dynamic partnership that holds real prospects for creating a better life for all.

The primary objective of NEPAD is to eradicate poverty in Africa and to place African countries both individually and collectively on a path of sustainable growth and development to thus halt the marginalisation of Africa in the globalisation process. At the core of the NEPAD process is its African ownership, which must be retained and strongly promoted, so as to meet the legitimate aspirations of the African peoples. While the principle of partnership with the rest of the world is equally vital to this process, such partnership must be based on mutual respect, dignity, shared responsibility and mutual accountability. The expected outcomes are:

- Economic growth and development and increased employment;
- Reduction in poverty and inequality;
- Diversification of productive activities;
- Enhanced international competitiveness and increased exports; and
- Increased African integration.

NEPAD is structured into three components:

- The first component provides the preconditions for sustainable development, which are the Peace, Security, Democracy and Political Governance Initiatives; the Economic and Corporate Governance Initiative; and the sub-regional and regional approaches to development.
- The second component provides the sectoral priorities, which include bridging the infrastructure gap; the Human Resource Development Initiative; the Agriculture Initiative; the Environment Initiative; the Cultural Initiative and Science and Technology Platforms.
- The third component concerns the mobilisation of resources: the Capital Flows Initiative and the Market Access Initiative.

NEPAD is a mandated initiative of the African Union...⁵²

⁵¹ The New Partnership For Africa's Development (NEPAD) October 2001

⁵² Department of Foreign Affairs, South Africa: New Partnership for Africa's Development (NEPAD), <http://www.dfa.gov.za/docs/nepa274a.htm> Updated: 27 May 2002 15:39:31

NEPAD's organisational set-up

The apex of NEPAD's governing structure is the *Heads of State and Government Implementation Committee* (HSIC) where originally 15 heads of state had seats⁵³ and were expected to meet 3 times a year. During the AU Durban meetings the committee was extended by 5 (one from each region) to 20. There is as yet no official information about the new members but they are widely expected to comprise Libya and Kenya.

The *Steering Committee* consists of personal representatives of the five initiating heads of state (South Africa, Nigeria, Algeria, Senegal, and Egypt). The Committee develops terms of reference and oversees the *Secretariat*, which is a small, full-time group accommodated at the Development Bank of South Africa (DBSA) in Midrand, South Africa. In addition to work done by the Secretariat itself, the organisation also outsources work.

There are five *task teams* led by representatives of the five founding members states⁵⁴:

- South Africa: Peace and Security, Democracy and Political Governance Initiative
- Nigeria: Economic and Corporate Governance / Banking and Financial Standards/Capital Flows Initiatives;
- Egypt: Market Access and Agriculture initiatives;
- Algeria: The Human Resources Development Initiative;
- Senegal: Infrastructure.

The NEPAD document points out the following programmes to be fast-tracked in collaboration with the development partners:

- Communicable diseases: HIV/AIDS, malaria and tuberculosis
- Information and communications technology
- Debt reduction
- Market access

The African Peer Review Mechanism

An innovative feature of NEPAD is the African Peer Review Mechanism (APRM). Its purpose is to foster the adoption of appropriate policies for political stability, economic growth, development and integration. The policies must conform to the agreed political economic and corporate governance values set out in NEPAD's Declaration on Democracy, Political, Economic and Corporate Governance. Participation is open to all AU members. No state can be forced to submit to a review but a review may be called for by "participating Heads of State and Government in a spirit of helpfulness to the

⁵³ Seats on the HSIC were between representatives for **North Africa**: Algeria, Egypt, Tunisia; **West Africa**: Nigeria, Senegal, Mali and; **Central Africa**: Cameroon, Gabon, Sao Tome & Principe; **East Africa**: Ethiopia, Mauritius and Rwanda; **Southern Africa**: South Africa, Botswana and Mozambique.

⁵⁴ The areas of Environment, Culture, Science and Technology Platforms do not appear to have been allotted to a task team

Government concerned". A panel of eminent persons will conduct the review, supported by a secretariat. A staged mechanism for the review is set up. The process ends with consideration by "participating Heads of State and Government" and tabling of reports in key regional and sub-regional structures such as the Pan African Parliament, the African Commission on Human and People's Rights, the Peace and Security Council and the Economic Social and Cultural Council (ECOSOCC) of the AU. The expectation is that if countries have got the APRM's approval, this will have a positive effect on their development potential as well as the external resource flow from ODA, private investment and perhaps the degree of access to important western markets.

Impact of NEPAD

NEPAD has been given high priority among countries in Southern Africa, particularly South Africa. Since its start, the HSIC has seen through the finalisation of the NEPAD document and the governing structure, including establishment and financing of the secretariat. The African Peer Review Mechanism, covering political governance as well as eight Codes and Standards for Economic and Corporate Governance for Africa, has been agreed upon. Much of HSIC's activity has also been devoted to the area of peace and security. Detailed implementation plans have been elaborated in other priority areas such as agriculture, health, education, infrastructure, market access, capital flows and capacity building. These are summarised in the so-called Initial Action Plan which was submitted to the Durban African Union Summit, together with the APRM and the Declaration on Democracy, Political, Economic and Corporate Governance.

At an early stage it was found important to market and communicate the NEPAD initiative intensively. The extensive communication activities of the NEPAD HSIC, as well as the individual Heads of State and the implementation of a strategic plan for marketing made the NEPAD acronym known virtually the world over to the extent that it appeared to overshadow e.g. organisations like SADC and AU/AEC. Indications are, however, that the average African (perhaps with the exception of South Africans) hardly knew what NEPAD was all about. This and the - allegedly - top-down way in which the NEPAD framework was set up arose as a matter of concern some time before the Durban Summit and the HSIC became concerned that there be a strengthening of NEPAD's outreach activities.

What is the relation between AU and NEPAD? Official statements, e.g. from the Department of Foreign Affairs in South Africa, always emphasise the strong links between the two, saying that NEPAD is an OAU/AU mandated process⁵⁵. It is also clear from the above that the processes of OAU reform and the development of the NEPAD framework were simultaneous, with a number of possible contact points and overlaps, both in terms of persons and institutions. This close relation is, however, not expressed in the NEPAD

⁵⁵ Department of Foreign Affairs SA website: NEPAD Background 3. International Engagements with the NEPAD process. <http://www.dfa.gov.za/docs/nepad3.htm> Updated: 11 March 2002 10:47:37

document where the near absence of references to the AU/AEC system and other continental organisations is rather remarkable. The document only contains two references to the African Union. One merely points to AU's backing for the spread of democracy over the continent; the other simply states that the heads of state promoting NEPAD will advise the AU on appropriate mechanisms for its implementation. Apart from a NEPAD commitment to report to the AU summit, the HSIC appears to be in complete control.

So far, NEPAD remains a *framework* for action. It has hardly delivered concrete results to any greater extent than any previous "Africa Plan". It has, however, conducted a considerable PR campaign and raised the profile of Africa on the international agenda. It has managed to factor NEPAD into the outcomes of international conferences such as the conference of Financing Development (FfD), World Summit for Sustainable Development WSSD, and the WTO. In addition, it has been subjected, with some success, to two important tests: a presentation to the G8 at Kananaskis, Canada and the acceptance of the AU at its inaugural meeting in Durban.

Two important tests for NEPAD

At **Kananaskis**, the G8 put forward an "Africa Plan"⁵⁶ which was a partial answer to the statement in the NEPAD document on "responsibilities and obligations of the developed countries and multilateral institutions". In a statement at the end of the meeting the four African Presidents⁵⁷ commented on the release of the plan. They "welcomed the release of the Africa Action Plan, as an initial reaction sufficient to kick-start the implementation of NEPAD and noted that these actions would need to be upgraded and further elaborated as the partnership progresses, in order to fully address the many challenges facing the African continent".

The Africa Plan accepted what is widely seen as a central bargaining point of NEPAD, namely that of greater resource flows (including ODA) to Africa in exchange for the maintenance of certain governance and democracy standards. Several of the central requirements of NEPAD were accepted, although in a somewhat conditional manner and not at the scale suggested by the NEPAD document. This was the case for areas like peace and security, institutions and governance, market access, agriculture, knowledge and education, and health.

In three main respects the G8 Plan, however, clearly deviated from NEPAD. *Firstly*, the G8 took a "wait and see" attitude, assuming that improvements in governance and democratic development would *precede* the increased resource flow, whereas the NEPAD document appears to assume that improvements in governance and greater resource flows will take place simultaneously. *Secondly*, in terms of ODA and debt relief, increased resource flows indicated by the G8 were both much more limited than the needs pointed out by NEPAD, and more conditional.

⁵⁶ G8 Africa Action Plan. Kananaskis Summit Website. http://www.g8.gc.ca/kan_docs/afraction-e.asp

⁵⁷ Bouteflika, Mbeki, Obasanjo, Wade

Thirdly, whereas the G8 leaves support for NEPAD to individual action by its member countries, NEPAD tends to see support coming from a G8 “pool”. For instance, with regard to ODA transfers, NEPAD points out the importance of negotiating a “new relationship” with the development partners. This relationship would avoid the present situation where each recipient country has to deal with a multitude of donors even for one and the same supported project.

NEPAD argues that the point of departure for increased aid must be “country programmes” whereas the G8 state that they “will pursue this Action Plan in our individual and collective capacities, and through the international institutions to which we belong”. In the Plan’s section on ODA, the G8 point out that “each of us will decide, in accordance with our respective priorities and procedures how we will allocate the additional money we have pledged”⁵⁸. Whereas the NEPAD tends to see its programme as a communal one, the message from G8 is that the type and extent of support to NEPAD will be a matter for the individual donors to decide.

Among the components of NEPAD there were two important areas which were noticeably not supported by the G8. NEPAD had made *debt relief* an important point, envisaging a process where the NEPAD leaders would negotiate a new and better deal with the creditors. The G8 plan generally states that good management and HIPC will be sufficient. Beyond this, promises given were basically “on a case by case basis”, conditional on adherence to good government standards.

Another key element of NEPAD is its *infrastructure programme*, which possibly was more extensively elaborated than any of the other programmes, and included proposals for development of concrete infrastructure investment projects. (See Annex Table 3). The Africa Plan⁵⁹ merely promised to facilitate “capacity-building and the transfer of expertise for the development of infrastructure projects, with particular attention to regional initiatives”.

One area stressed more strongly by the G8 Africa Plan than by NEPAD is health, including prominently HIV/AIDS. The G8 says that “...HIV/AIDS affects all aspects of Africa’s future development and should therefore be a factor in all aspects of our support to Africa, ...”. NEPAD says very little about the fight against AIDS. This is often connected to the centrality of President Mbeki in the NEPAD process⁶⁰ and his views on HIV/AIDS. While HIV/AIDS is mentioned as one of the communicable diseases in the NEPAD document, its dramatic social and economic consequences are not highlighted. However, the NEPAD Document’s chapter on implementation makes it clear that communicable diseases, such as HIV/AIDS, malaria and tuberculosis, are among the four areas where programmes will be fast-tracked⁶¹.

⁵⁸ Para 10, G8 Africa Action Plan, Kananaskis Summit, Kananaskis Canada, 2002

⁵⁹ Section 3.2, G8 Africa Action Plan, Kananaskis Summit, Kananaskis Canada, 2002

⁶⁰ See for example Alex De Waal’s excellent overview of NEPAD: What’s new in the ‘New Partnership for Africa’s Development’? *International Affairs* 78, 3(2002) pp 463-75

⁶¹ The other areas being ICT, Debt reduction and Market access

At the **Durban OAU/AU** summit NEPAD was by and large accepted as the strategic policy framework to drive the AU/AEC agenda. In its tribute to the Organisation of African Unity on the occasion of the launching of the African Union, the AU announced its rededication to NEPAD. The AU stressed “NEPAD as a programme of the African Union for strengthening inter-African co-operation and integration in a globalising world and to overcome the prevalence of poverty and strive for a better quality of life for all the peoples of Africa”.⁶² The Declaration on the implementation of NEPAD at the first ordinary session of the AU⁶³ endorsed the Progress Report and the Initial Action Plan but also included an indication that Member States could submit written comments to the HSIC chairman. Member states were also encouraged to adopt the declaration on Democracy, Political, Economic and Corporate Governance and to accede to the African Peer Review Mechanism.

After the Summit, it is therefore clear that NEPAD, in principle, is seen as a framework or programme within the AU. Apart from the fact that the Assembly of the African Union is the ultimate governance structure of NEPAD, there is, however, little information about the integration of NEPAD into the AU structures. It was decided that the HSIC and the Steering Committee would continue elaboration of NEPAD and implementation of the Initial Plan at least until it would be reviewed at the 2003 summit in Maputo. It therefore appears certain that the NEPAD Secretariat will exist independently, outside AU, at least for another year.

However, the Durban meetings were not all smooth sailing for NEPAD. *Firstly*, observers at the Durban Summit⁶⁴ indicate that the status of NEPAD as a kind of “ideological backbone” for the AU is not quite agreed. It appears rather to be the manifesto of a reformist group led by Presidents Mbeki, Obasanjo and Wade, which is opposed by leaders such as Mugabe and Gaddafi. Presumably to counterbalance the impression of the NEPAD group as an exclusive club, the Durban AU Assembly expanded the 15 member Implementation Committee by five countries, one for each REC. No decision was taken about names of individual additional participants in the group, but the names of members like Gaddafi and Kenya’s President Daniel arap Moi have been mentioned. Observers suggest that the additional five countries will participate on a rotational basis.

Secondly, after the Summit it is less clear than before how the NEPAD peer review mechanism will be run. A communiqué from NEPAD’s Implementation Committee meeting before the Durban Summit indicated that the Peer Review Mechanism would be run by an “outside” organisation like the ECA. However, President Obasanjo, who is the Chairperson of the HSIC, went to

⁶² An earlier version used slightly different language: “...and which is also a response to the need to reposition Africa in a globalising world and to overcome the prevalence of poverty and strive for a better quality of life for all the peoples of Africa.”

⁶³ Declaration on the Implementation of the New Partnership for Africa’s Development (NEPAD). ASS/AU/Decl. 1 (I)

⁶⁴ See for example Africa Confidential, Vol 43 No 14 12 July 2002

great lengths in stressing that the Nigerian commitment to NEPAD would *not* be at the expense of the Conference of Security, Stability, Development and Co-operation in Africa (CSSDCA) and the need to harmonise the two initiatives.⁶⁵

The CSSDCA predates NEPAD and has been accepted by the OAU summit as a complement to the activities of OAU/AEC. It could be seen as an African version of the European Organisation of Security and Co-operation (OSCE) and has functioned as a policy development forum for the OAU/AEC. It is, however, governed by a memorandum of understanding that contains a monitoring and evaluation mechanism. The AU Assembly expressed a positive attitude to the CSSDCA and accepted the integration of a CSSDCA unit into the Commission. If the “monitoring and evaluation mechanism” of CSSDCA was seen to duplicate NEPAD’s Peer Review Mechanism, it would be logical to harmonise or integrate the two mechanisms. Since it is clear that the NEPAD structures in the longer run will be pulled in under the AU umbrella, the integration of NEPAD and CSSDCA should take place *inside* the AU system. This would mean that NEPAD peer reviews would be conducted by the African Union structures and not by an “outside” organisation.

Even with the above points of disagreement, the AU summit is mostly considered a victory for the African leaders that stand for reform. The broad acceptance of NEPAD and the Peer Review Mechanism in addition to the move away from OAU’s non-intervention regime bode well for the future. Section 3.3 below considers SADC’s relations to the two continental initiatives.

3.3 SADC’s relation to AU and NEPAD

As a regional economic community SADC is part of a larger network of African continental initiatives and organisations of which the most important are likely to be the AU/AEC/NEPAD. Formally, both the AU Constitutive Act and the AEC Treaty are fairly clear that RECs form building blocks for the future continental economic community. This view is reflected in the SADC governing organs as interpreted by the South African Department of Foreign Affairs⁶⁶

Formal relations between NEPAD/ AU/ SADC

“The linkage between NEPAD and the SADC Regional Indicative Strategic Development Plan (RISDP) was adopted by the Ministers of Foreign Affairs and Finance at their meeting in Blantyre on 13 September 2001, which came to the conclusion that, in terms of relationships, SADC is part of and feeds into NEPAD, which is premised on the regional economic communities (RECs). The Ministers recognised that NEPAD is a framework and process within the Union (AU), while SADC is a recognised REC of the Union. SADC

⁶⁵ The OAU/AU meetings in Durban: A Summary and Interpretation. Jakkie Cilliers, Institute for Security Studies, South Africa. ISS website <http://www.iss.co.za>

⁶⁶ South African Department of Foreign Affairs. New partnership for Africa’s Development (NEPAD), <http://www.dfa.gov.za/docs/nepa275a.htm>. Updated 27 May 2002 15:39:31

participates, therefore, in both the Union and NEPAD. To this end, by strengthening the implementation capacity of SADC, it was recognised that success in NEPAD would be enhanced. It was decided that the development of the RISDP and the SADC restructuring process should take NEPAD into account, and where appropriate, SADC and NEPAD programmes should be harmonised. SADC should also take NEPAD into account in the ongoing review of SADC programmes.”

The NEPAD document⁶⁷ reflects the view that the five⁶⁸ sub-regional economic groupings on the continent must be strengthened as pooling of resources is necessary to improve international competitiveness. Capacity building to enhance the effectiveness of regional structures and organisations is seen as a priority. NEPAD also aims to identify common projects compatible with integrated country and regional development programmes and to encourage the harmonisation of economic and investment policies and practices. NEPAD’s sectoral priorities for action *at the regional level* will be infrastructure (especially ICT and Energy), human resources, health, agriculture and access to the markets of developed countries. It is also indicated that “regional and sub-regional institutions” will play an important role under the Peace and Security initiative⁶⁹. NEPAD also gives regional organisations some more specific sectoral roles, such as the establishment of regional regulatory associations, promotion of partnerships within tourism and needs-analysis.

SADC is mentioned a number of times in the NEPAD document. It is suggested that the SADC biomass energy conservation programme be broadened to cover the rest of the continent. It is suggested that multipurpose water resource projects such as the SADC Water Secretariat’s investigation of the utilisation of the Congo River and the Nile Basin Initiative be accelerated. Also, the relation between RETOSA and SADC is pointed out as worthy of emulation by other RECs.

The African Union and RECs

In the AEC treaty, regional organisations are referred to as Regional Economic Communities (RECs). Three of the AEC pillars, ECOWAS, COMESA, SADC and in addition IGAD, in 1998 signed a protocol with the AEC. ECCAS signed the Protocol in October 1999. AMU is yet to sign. The protocol serves as a framework for co-operation, programme harmonisation and co-ordination among the RECs and between them and AEC. The RECs have raised a number of issues relating to their dealings with the AEC, as for example the role, responsibility and capacity of the AEC as the apex organisation vis a vis RECs and facilitation of contacts as well as formal and ad hoc consultations between the AEC and RECs. Also the placement of the ECA Sub-regional Development Centres have been taken up. The RECs were

⁶⁷ Section on “Sub-regional and regional approaches to Development”

⁶⁸ Probably referring to the “pillars” appointed by the AEC

⁶⁹ Such as Prevention, management and resolution of conflict; Peacemaking, peacekeeping and peace enforcement; Post-conflict reconciliation, rehabilitation and reconstruction; and Combating the illicit proliferation of small arms, light weapons and landmines.

requested to comment on the restructuring of the OAU/AEC secretariat, but few responded.

The AU Constitutive Act makes mention of RECs only in terms of the overall objective of promoting the “integration of African economies” and, more specifically, to “co-ordinate and harmonise policies between existing and future Regional Economic Communities for the gradual attainment of the objectives of the Union”.

The AEC treaty sees (in Articles 28 and 88) the RECs as building blocs for the Community. They should be strengthened during the early period and then be progressively integrated into the Community through co-ordination and harmonisation. It appears that for AEC the *raison d’être* for the RECs is their contribution to the formation of the *continental* grouping which at a later stage will take over co-ordination, harmonisation and evaluation of REC activities – not so much the individual REC’s activities. The treaty states that member states will further the integration of their respective economic communities into the AEC.

Article 18 of the protocol on the Pan African Parliament determines that the parliament shall work in close co-operation with “Parliaments” of RECs and the possibility of consultative fora between RECs and the Parliament is mentioned.

Representation of RECs in NEPAD and AU/AEC

The members of both NEPAD and AU/AEC are *states* and not regional organisations. Whereas NEPAD does not offer an explicit view of the fate of the RECs in the longer term, the vision of the AEC is clearly that RECs are building blocks which will eventually be part of the African Economic Community. However, the proposed strengthening of the RECs certainly carries the possibility that perhaps the more successful RECs will *not* consider an integration into a continental organisation with a number of poor and mismanaged RECs as advantageous. The danger of regional fission in stead of fusion is certainly the reason for the clear messages of the AEC treaty that member states should push for the Community through their RECs.

SADC is represented at high levels in both NEPAD and AU. In NEPAD, the region is represented by the four presidents who sit on the HSIC. There will, however, be no formal representation from the organisation itself. In the AU, SADC will be represented through its Heads of State at the AU summit. Also, each of the RECs will be entitled to two Commissioners who will represent the region. However, the nomination of candidates from the region, who will be finally selected by the AU Executive Council and Assembly, will not be undertaken by the RECs but by a panel of two Ministers from each region.

Regional and Continental - Complementary or Competitive?

The relation between AU and NEPAD should ideally be complementary, like that of a *programme* to an *organisation*. The programme (NEPAD) determines steps that have to be taken in order to reach certain goals, while the organisation (AU) implements.

Whether the actual outcome will be in line with this appears somewhat uncertain. On the NEPAD side there exists a sense of urgency to start implementation of the Initial Action Plan⁷⁰ and there will be, at least for another year, a small but relatively efficient administrative structure with good links to a number of international organisations.

The AU/AEC, on its side, has the daunting and time-consuming task of reforming the OAU secretariat into an efficient implementation machine. This would point to *either* considerable delays in implementation *or* extensive use of the NEPAD structures to move forward rapidly. The chance of overlaps and perhaps rivalries would, however, be small since President Mbeki is both a prominent member of the NEPAD HSIC and, until the Maputo Summit in 2003, the Chairperson of the AU Assembly.

What one may surmise is a growing tension between two alternatives. On the one hand, there is a need for an early start of NEPAD implementation, showing, as is politically necessary, that NEPAD can deliver. On the other hand, there is the necessity of an orderly and, in all likelihood, lengthy, bureaucratic process of setting up an implementation mechanism within the AU. Such a tension may possibly exacerbate the rift between AU reformists and traditionalists.

The relations between SADC and the continental organisations will for some time be affected by the unsettled organisational structures. Even though the AU/AEC ideally would be built on the RECs, it is not likely that the AU can do more than mildly encourage regional organisations, basically leaving them to their own devices. The RECs, save two or three, are likely to be too weak, and too preoccupied with their own affairs, to have much influence on the continental organisations. NEPAD, having a clear and fairly efficient governance structure,⁷¹ would presumably have more active relations with RECs in the short term. This would in particular be the case for SADC, which is a relatively well run regional community and includes South Africa, which has been very prominent in the NEPAD initiative.

It has been argued that SADC's regional strategy (RISDP), which is now under construction, creates a good opportunity for aligning a REC with the continental strategy set out by NEPAD. If one takes a positive view of both SADC and NEPAD it seems reasonable that consultation and exchange of information between the two would have a positive effect on both organisations' chance for success. Examples may be the references to interesting SADC activities in the NEPAD document quoted above.

However, it is important that communication and relations are balanced and two-way. It is noticeable that despite formal statements there is a feeling among some SADC members, and indeed observers, that NEPAD acts in a

⁷⁰ This was even stressed by the AU Assembly mandating NEPAD HSIC to "ensure the implementation" of the Initial Action Plan" ASS/AU/Decl 1(I)

⁷¹ Although the extension of the HSIC from 15 to 20 may blunt the organisation's efficiency

top-down manner. The June 2002 SADC Council of Ministers agreement that the Secretariat should participate in NEPAD secretariat meetings and that member states should appoint national contact points for NEPAD⁷² are indicative of an intention to improve this situation.

NEPAD has taken great strides in heightening the profile of Africa in media and international organisations. In particular, the link to G8 is an exceptional achievement. The idea is certainly to use the higher profile and high level influence, among other things, as a lever for channelling more resources towards key African problems. The debt situation, where it appears to be NEPAD's intention to negotiate a better deal for debt relief, and its infrastructure programme, are cases in point.

The list of NEPAD projects in Annex Table 3 shows that a number of them take place within SADC or between countries in SADC and other RECs⁷³. If continental and regional organisations have different priorities it may lead to disputes between the two. Comments from the SADC Council of Ministers on proposed NEPAD projects are said to have been less than welcoming. If NEPAD wants to have the full support of RECs and member countries it will be necessary to reconsider the workings of present top-down decision-making mechanisms. A majority⁷⁴ of the NEPAD projects for which we have information seem, however, to be in line with SADC projects.

There may also be need for co-ordination of peer review mechanisms. The review mechanisms under the SADC macroeconomic MOU have clear overlaps with some of the aspects of the broader NEPAD APRM.

Good governance and the contamination effect

The emerging consensus that good governance is necessary for development have made AU and in particular NEPAD include good governance as central parts of their objectives. Development partners have made good governance a central issue for their decisions on allocation of resources and thus introduced a considerable extent of what one may call "governance conditionality".

Governance conditionality may have problematic consequences when applied to multi-country organisations. The strong emphasis of NEPAD on governance can, when encountering such cases of non-compliance as witnessed in Zimbabwe, have "contamination" effects. Misbehaviour will leave a negative impression on the outside world and therefore a negative effect on the goodwill of donors, not only for the country itself but, by

⁷² "to ensure proper institutional co-ordination with the NEPAD secretariat"

⁷³ Examples are (see Annex Table 5): Mozambique - Malawi Power Interconnection; Study of the DRC - Angola - Namibia Interconnection; Support for the Development and Implementation of National Water Sector Policies and Strategies in SADC; Water Resource assessment in SADC; Rehabilitation of Nacala Ports in support of concessioning; Lobito port rehabilitation and transshipment facilities; Rehabilitation of Tanzania and Nacala Corridor railways; SADC Regional Infrastructure Initiative (SRII). In addition come a number of projects covering the whole continent and all RECs.

⁷⁴ All four projects in the Water and Energy sectors

association, for the entire regional and /or continental organisation to which the country belongs.

The G8 plan for NEPAD stresses that it is the countries “whose performance reflects the NEPAD commitments” that will be those getting the advantages from the G8. Will such a case by case approach make it difficult for SADC as an organisation to benefit from G8 resources? The paradox is that the stronger integration is, the greater the contamination effect. If countries, on the other hand, are considered individually, as the G8 plan appears to do, NEPAD / G8 might work contrary to regional integration.

Although clearly steps in the right direction have been made with regard to African integration, the change from OAU to AU and the emergence of NEPAD is not likely to affect SADC very substantially for some years to come. The present low level of organisational strength on the side of both the continental initiatives and the fact that SADC will be under restructuring for some time to come means that links will not be very active.

The formal representation of RECs has been integrated in the governance systems of both the AU and NEPAD, but has not yet been formulated in great detail and tested out. Issues like the handling of any gains from the NEPAD G8 Africa Action Plan and harmonisation of the various peer review mechanisms may be the first concrete areas where relations between continental initiatives and RECs will be given the test of reality.

4 Making SADC work? The role of non-state actors in regional co-operation

SADC is a multilateral, intergovernmental organisation. It has, however, always made provision for establishing working relations with actors and organisations outside officialdom. An NGO liaison desk was established in the early 1980s. Through the Sector Co-ordinating Unit on Employment and Labour (led by Zambia), trade unions and employers' organisations were brought in, creating a *de facto* tripartite model in addressing these issues. The 1992 SADC Treaty emphasised that

“In pursuance of the objectives of this Treaty, SADC shall seek to involve fully, the peoples of the region and Non-governmental Organisations in the process of regional integration ... SADC shall cooperate with, and support the initiatives of the peoples of the region and Non-Governmental Organisations, contributing to the objectives of this Treaty in the areas of cooperation in order to foster closer relations among the communities, associations and peoples of the Region”⁷⁵

The current restructuring of SADC has made several attempts to formalise links and relationships with non-state actors, most extensively through the planned establishment of national committees in each member country, but also through the agreements with regional associations and attempts to involve non-state actors in areas such as the implementation of the trade protocol (Cf. Ch. 1).

Beyond these more organisational dimensions it has also been long recognised that actors outside SADC structures play an important role in promoting or weakening co-operation in the subregion. This includes the private sector and the business sector, civil society networks and co-operation, as well as movements of people and migration across borders.⁷⁶

This chapter will focus on the role of non-state or civil society in regional co-operation. It will provide an overview of civil society in the region and assess its profile and role in relation to SADC and in relation to regional co-operation.

⁷⁵ This is the text from the original SADC Treaty. It is retained in article 23 in the amended 2001 Treaty although the term “non-governmental organisation” is replaced by “key stakeholders”. In an explanatory note it is stated that “key stakeholders” include “private sector, civil society, non-governmental organisations and workers and employers organisations”.

⁷⁶ This is well captured in B. Odén: “South Africa in Southern Africa: Revisiting the dynamo-albatross debate”, pp. 116-142 in L. Thompson (eds.): *Development, Democracy and Aid in Southern Africa*, Bellville: CSAS, University of the Western Cape 2000. He introduces the distinction between Southern Africa of the market, Southern Africa of the people, and Southern Africa of the states.

4.1 A regional civil society – an overview

There is no proper quantitative survey and overview of the voluntary sector, non-governmental organisations, or civil society in the region. Nor are there any clear commonly agreed definitions of what the term implies. For our purpose it is sufficient to say that we focus on the range of formal and informal organisations and associations that operate in the space between the family and the state. They are not controlled by the state and they primarily operate on a not-for-profit basis. This will include a vast and diverse set of organisations, associations, networks, movements and groups. They vary widely in structure, governance, formality and the scale and scope of their operations and revenue.

The SADC Council of Ministers did appoint a committee in 1998 to assess NGOs in the SADC region. Its October 1999 report is a good departure point for an assessment.⁷⁷ Based on a questionnaire distributed to national NGO umbrella bodies and networks it concluded that the SADC region may have over 17 000 NGOs, of which more than 10 000 are South African. It is difficult to assess the accuracy of this figure. The team did, in connection with the preparation of this and last year's report on SADC, interview NGO umbrella bodies in half of SADC member countries.⁷⁸ The figures tended to correspond (with some adjustments), but it has to be noted that the criteria for being counted vary widely. In some countries foreign and international NGOs are included (e.g. in Mozambique where a significant proportion of the members of the NGO umbrella body are foreign NGOs), the extent of inclusion of localised and community based organisations is uneven, and in all countries many of those that are included are very weak and in some cases even non-existent. Generally, employers' organisations, trade unions and the churches are also excluded from the survey.

The study reveals a number of very clear trends. In almost all countries the NGOs are highly dependent upon foreign aid and would not exist without this support. In some cases NGOs active in welfare or service delivery have income from public funds, but in most cases these funds have significant contributions from foreign aid donors. The significant exception to this is South Africa. This country not only houses a significant share of the region's NGOs. It also has a significant domestic donor community, some state funding of NGOs and significant public funding through the commissioning of NGOs to undertake welfare and service delivery. Foreign donor funding is still significant,

⁷⁷ The report remains unpublished. The publication details are *The Role of Non-Governmental Organisations in the Southern African Development Community. A Report compiled by the Committee Appointed by the SADC Council of Ministers*, n.p. (Gaborone), n.p. (SADC Secretariat), 1999. This should also be read in conjunction with D. Barnard and Y. Terreblanche (eds.): *PRODDER: The Southern African Development Directory 2000*, Pretoria: Human Sciences Research Council 1999. The Prodder Directory is based on data from 1997-98.

⁷⁸ Abie Dithlake, the Executive Director of the South African NGO Coalition (Sangoco) (and President of SADC-CNGO) informed the team that they had some 3200 members, down from the historical figure of 4000. They expected to be able to increase the membership figure to between 10 000 and 15 000. He estimated that there were over 80 000 NGOs in South Africa. Interview, Johannesburg 31 May 2002.

especially for certain types of NGO like those involved in advocacy work, human rights issues or peace and conflict studies.

Most of these NGOs are focused on domestic issues with only a small minority maintaining any regional or international network and even fewer with a regional focus or agenda. The NGO umbrellas in each SADC member country agreed to establish a *SADC Council of NGOs*, SADC-CNGO, at a workshop in 1995.⁷⁹ The organisation was launched in 1998 with the Botswana Council of NGOs (Bocongo) elected the Interim Secretariat.

Bocongo is still the interim secretariat and SADC-CNGO has not really taken off. Several of the stronger NGO umbrella bodies in the region informed the team that plans were under way to revitalise their regional body. Both SADC and the SADC-CNGO have agreed in principle to sign a Memorandum of Understanding as regulated in the SADC Treaty. There has, however, not been any visible action on this. The draft memo is currently with SADC for approval by member states.

The main national trade unions and federations in the region joined hands in establishing the *Southern African Trade Union Co-Ordination Council* (SATUCC) in 1983.⁸⁰ It is managed out of a small Secretariat in Gaborone. Its work is constrained by a relatively low priority given to regional issues by its member affiliates, most of which are very weak. It does, however, run a regional occupational health and safety project and it is a strong participant in SADC's Employment and Labour Sector Co-ordinating Unit. The project was chaired by Zambia and expected to be phased out in the second half of 2002 and integrated into the Directorate for Social and Human Development and Special Programmes (SHDSP) in the SADC Secretariat. SATUCC officials interviewed by the team expressed their support for the restructuring of SADC but were concerned that the tripartite model might not be sufficiently incorporated in the new structure.

The national business associations have been less active at the regional level. At the tripartite negotiations on employment and labour issues they have been represented by South African business. In 1999 a regional body was formed – *The Association of SADC Chambers of Commerce and Industry* (ASCCI). Its Secretariat was first based in Mauritius but is now housed at the Malawi Chamber of Commerce and Industry in Blantyre.⁸¹

The various churches and religions in the region also maintain links and networks, although those associations and networks do not correspond to the SADC region as such. None of them have any working relations with SADC.

⁷⁹ The discussion on SADC-CNGO is based on the 1999 SADC report and discussions with the interim secretariat in Gaborone, the SADC-CNGO President and with a number of national umbrella bodies.

⁸⁰ This paragraph is based on interviews at the SATUCC Secretariat and on the official history published as Labour Resource and Research Institute (ed.): *Building a Regional Labour Movement: The Southern African Trade Union Co-Ordination Council, SATUCC*, Gaborone: SATUCC 2001.

⁸¹ The team held discussions with the Association's senior officials in Blantyre and also met with technical advisors from GTZ, a chief donor behind the ASCCI.

The most extensive network is probably the *Fellowship of Christian Councils in Southern Africa*. This brings together the protestant Council of Churches in all Southern African countries, including Madagascar (but excluding DRC, Mauritius and the Seychelles). They run a number of networks, on HIV/Aids, on economic justice (focusing i.a. on globalisation and the debt problem), internal refugees and uprooted people, and on humanitarian issues and disaster relief. It has also – but without much success at the time of writing – attempted to engage with Zimbabwe where the Council of Churches remains deeply divided in its response to the political crisis.⁸²

4.2 Sector networks and organisations

There are a number of sector networks under the SADC-CNGO umbrella. Most (but not necessarily all) of the members of these loose networks are affiliated to the various national NGO umbrella bodies. These networks are, however, generally weak with limited activity (although individual member organisation may be strong). SADC-CNGO's ambition is that they shall become fully operational over the next three years.

Monitoring SADC

A number of organisations are specifically established to monitor SADC and regional co-operation, or they have established specific projects to achieve this. The biggest here is the Harare-based *Southern Africa Research and Documentation Centre* (SARDC).⁸³ Commissioned by the SADC Secretariat, they produce SADC's official quarterly publication, *SADC Today*. They also run a number of programmes, which currently produce a number of publications indispensable for any monitoring of SADC. The regional economic development and integration programme, in addition to producing *SADC Today*, also prepares working papers on a number of issues, especially a series termed *20 years of Development in Southern Africa. A Sectoral Review of regional integration in Southern Africa*. The democracy programme produces the quarterly *Renaissance, A Review of Democracy and Governance in Southern Africa*. The gender programme (The Women in Development Southern Africa Awareness) works closely with the SADC Gender Unit and produces amongst others the annual *SADC Gender Monitor* and a newsletter on gender and development – *GAD Exchange*. Their Communicating the Environment Programme puts out a *CEP Fact Sheet* six times a year. These programmes have also produced several books and other reference material.

SARDC is also member of the *SADC Electoral Support Network* which i.a. produces the *Election Chronicle* magazine. The other strong NGO in this network is the *Electoral Institute of Southern Africa*, a South African-based NGO that has played a key role in shaping debates about electoral legislation

⁸² Interview with Benjamin Moleko, Deputy Secretary-General, Botswana Council of Churches, in Gaborone 6 June 2002. The Botswana Council of Churches provides the secretariat for the Fellowship of Christian Councils

⁸³ More information is obtainable from the homepage www.sardc.net

and election observation in the region.⁸⁴ They also acted as the interim secretariat of the SADC Electoral Commissions Forum.

The *Institute of Global Dialogue*, a South African foreign policy think-tank has also run a project (now completed) which culminated with the most comprehensive overview of SADC available to date.⁸⁵ The outcome of a major scenario exercise, involving scholars from a number of SADC countries, was published as the final product of this project.⁸⁶ The institute has now launched new research-based projects on democratisation in Southern Africa and on trade /competition policy.

In Namibia the *Namibian Economic Policy Research Unit* has been holding annual research workshops on aspects of SADC and regional integration. This has brought together scholars from mainly Namibia, other SADC countries and Germany. Papers from the 2001 workshop have been published in what is envisaged as a yearbook on regional integration.⁸⁷

SAPES – the regional research-cum-network institute based in Harare - has historically played an important role in the scholarly debate on SADC and regional co-operation. It appears to have a less important role today. Among its recent major monitoring publications the most important are the 1998 and 2000 *SADC Regional Human Development Reports*, published in co-operation with UNDP and the SADC Secretariat.⁸⁸

Monitoring-cum-research is also taking place in the peace and security research milieus. Chief among those is the Pretoria-based *Institute for Security Studies* which is producing much on the evolving security architecture and the security policies through its journal *African Security Review* and a range of other publications, including an excellent homepage (www.iss.co.za). The *Southern Africa Defence and Security Management Network*, although mainly a training programme (see below), has also put out some significant analysis and reviews of SADC structures and policies.⁸⁹ Other contributions have come from the *Centre for Conflict Resolution* in Cape Town and to a lesser extent from the *African Centre for the Constructive Resolution of Disputes* in Durban.

The South African Institute of International Affairs, which has hosted a number of conferences and workshops on various dimensions of regional co-operation, has also prepared for a monitoring programme. They have secured

⁸⁴ See more on this organisation in www.eisa.org.za.

⁸⁵ Published as the *IGD Guide to the Southern African Development Community*, Johannesburg: Institute for Global Dialogue 2001. See also their homepage www.igd.org.za

⁸⁶ Ref.

⁸⁷ The first yearbook was published as D. Hansohm et al. (eds.) *Monitoring Regional Integration in Southern Africa, Yearbook volume 1 – 2001*, Windhoek: Gamsberg Macmillan 2002. The 2002 workshop was held in June and it is expected that a volume 2 will be out before the end of the year.

⁸⁸ The 1998 report focused on governance and human development while the main theme of the second report was challenges and opportunities for regional integration. SAPES Books in Harare published them both.

⁸⁹ Some of this has appeared in the new *Journal of Peace, Conflict and Military Studies*, published by the SADSEM partner in Zimbabwe, the University of Zimbabwe's Centre for Defence Studies.

donor funding for a project on the SADC Organ and civil society as well as monitoring of SADC through a planned *SADC Barometer* newsletter. At the time of visiting the Institute had not yet been able to recruit sufficiently skilled persons to run these projects.

Sector Networks

The *Southern African Human Rights NGO Network* (SAHRINGON) was established in 1997. It is co-ordinated by the Lusaka-based Inter-African Network of for Human Rights and Development (Afronet).⁹⁰ Its main network activities appear to be focused on campaigning against police brutality, promotion of freedom of expression, and capacity building in human rights education. The network appears to be dominated by legal activists and human rights organisations. It has limited activities linked to SADC's work (although as shown in the subchapter below, individual member organisations do play an important role also in relation to SADC's evolving policy).

The *Media Institute of Southern Africa* (MISA) is a regional NGO also active in this area. It has a Secretariat in Windhoek and chapters in 11 SADC countries. It was established in 1992 and focuses primarily on the need to promote free, independent and pluralistic media. It seeks ways in which to promote the free flow of information and co-operation between media workers, as a principal means of nurturing democracy and human rights. It has kept a watchful eye on evolving SADC policies in this area.⁹¹

There is a sector network in land and environmental issues. It brings together a number of the key non-state actors, but there appears to be limited activity at the regional level.⁹² There is also a Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN). They share offices with the SADC Food Hub in Harare.⁹³

Within the area of HIV/AIDS there has been a flourishing of NGOs (and donor funding) in recent years. A number of major and NGO-run regional projects have been launched and in addition HIV/AIDS activities have been initiated by a number of existing NGOs in the fields of health and social work. Some 10-15 NGOs dealing with AIDS are likely to have activities in each of the SADC countries. An example of a larger regional effort, the *Project Support Group* (PSG), supported by NORAD, will have projects in Namibia, Botswana, Malawi, Mozambique, Swaziland, Lesotho, Zambia and Zimbabwe.

⁹⁰ It does publish at irregular intervals a magazine, *The Human Rights Observer*, with information on the activities of the network and the member organisations.

⁹¹ See e.g. the September 2001 issue of their *free press* magazine, which contains strong criticism of the new SADC protocol on culture, information and sport.

⁹² Cf. also the *Who is doing what on land rights issues in Southern Africa? Basic information directory 2001* published by the Harare-based Zero in 2001. Zero is a regional environment organisation and acts as the information node of the Land Rights Network of Southern Africa.

⁹³ The Network publishes a newsletter, *FANRPAN dialogue*.

There is also a flourishing network of NGOs in the gender field. Chief among them are organisations such as the *Women and Law in Southern Africa* and *Women in Law and Development in Southern Africa*. More information is available in the material from SARDC (see above).

There is also a vocal group of NGOs and networks campaigning against corporate globalisation, focusing on issues such as international finance, trade and debt. This includes such organisations as the Church-linked *Economic Justice Network* (Zimbabwe), the African Forum and Network on Debt and Development (Zimbabwe), *the Southern and Eastern African Trade, Information and Negotiations Initiative* (Zimbabwe), *Jubilee South Africa* and others. The *Alternative Information and Development Centre* (AIDC) provides a good web-based entry point into these groups and networks (see www.aidc.org.za).

Education and training

Another important development is the growth and expansion in regional training and educational programmes. The role of the strong higher education and research sector in South Africa has been important here. It has facilitated a number of major new postgraduate education programmes as well as specially designed short- and long-term training programmes. An example of this is the above-mentioned programme in defence management under the auspices of the *Southern African Defence and Security Management Network* (SADSEM). It is managed from the University of the Witwatersrand's Centre for Defence and Security Management but is jointly organised and delivered with universities in six other SADC countries. They offer training courses in democratic civil-military relations and management of peace support operations to senior defence officials and military officers.

Another example of an expanding sector is NGO-based training programmes. One case is the Harare-based *Macroeconomic and Financial Management Institute of Eastern and Southern Africa* (MEFMI). Its activities are targeted at building capacity in critical areas of macroeconomic and financial management.

There has also been a growth in NGOs specialising in advising and training other NGOs. One example in Harare is the *Mweleko wa NGO*, better known as MWENGO. It was established in 1999 as a reflection and development centre to enhance the capacity of NGOs in Eastern and Southern Africa. It is currently playing an important role in equipping NGOs to respond to the new challenges opened by the European Union/ACP Cotonou Agreement. Most NGOs and other institutions offering training to this sector are, however, based in South Africa.

4.3 What role for non-state actors?

The current restructuring of SADC has opened up new opportunities for non-state actors in shaping policies by what is essentially an intergovernmental organisation. This has been reinforced even more strongly by developments

such as the EU/ACP Cotonou Agreement with its strong emphasis on the participation of non-state actors, and the aid donors' emphasis on involving civil society in preparing poverty reduction strategy papers.

These opportunities may not be sufficiently exploited in part because the NGO networks and organisations in most cases seem to be relatively unaware of the ongoing restructuring of SADC. More fundamentally, however, the organisations are in most cases weak and in many countries they struggle to survive. Only South Africa, and to a lesser extent – and decreasingly so – Zimbabwe have significant NGOs with a regional focus and interest.

This does not imply that NGOs will remain unimportant. In fact, we can notice that the NGOs and networks discussed in this chapter have often played a very important role in developing SADC policies on a range of issues, including very sensitive areas such as the Protocol on Politics, Defence and Security co-operation.

One case may serve to illustrate this: the adoption of SADC's new protocol against corruption was signed at the SADC Summit in August 2001.⁹⁴ The SADC Secretariat initiated the protocol in the form of a Draft Declaration Against Corruption. This was rejected at the SADC Summit in Mauritius in 1998. An American NGO then invited the Harare-based Human Rights Trust of Southern Africa (SAHRIT) to co-operate in efforts to resuscitate the anti-corruption efforts. SAHRIT then initiated a series of high-level regional roundtables, which culminated with a request to SAHRIT from the SADC Legal Sector Chair (Namibia) to facilitate the development and adoption of a SADC protocol against corruption. The draft prepared by the SAHRIT was signed without substantial amendment.

The main role by NGOs will, however, be played not at the regional level, but at the national level. SADC is a multilateral body with limited enforcement capacity. The deepening of regional co-operation will take place mainly by member countries adhering to a rapidly expanding set of common norms and standards. It will be increasingly costly and demanding to deviate from or not adhere to these common values and policies. NGOs and other non-state actors will play an important role in ensuring this. This they will not do alone. They will have to mobilise other popular forces, e.g. through Parliament, they will benefit from networking and interaction with NGOs in neighbouring countries and elsewhere, and they will benefit from financial and other assistance from foreign donors.

⁹⁴ This discussion relies on the presentation in N. Mashumba: "The SADC Protocol against corruption", *Zimbabwe Human Rights Bulletin*, Issue no 6, March 2002: 105-112.

5 Conclusions and Recommendations

Less than a year has gone since the CMI 2001 study on SADC was prepared. In that period SADC has made significant progress both with the restructuring and with the substance of co-operation and integration. Member States officially support restructuring and the ideas behind it as strongly as before, but this may change if further progress is not made.

A closer look at the unfolding picture reveals a number of ways in which achievements do not quite equal expectations and plans.

- The RISDP process has moved forward but appears to be considerably behind the timetable.
- The study of SADC's organisational structure had, by late June 2002, not yet taken off.
- The closure of the SCUs and setting up of the Directorates at HQ in Gaborone has proceeded quite well. The Secretariat is, however, still weak compared to its tasks and there may be some tendencies to bureaucratisation.
- Councils and Summit meetings have been held as planned but the first meeting of the ICM has been postponed.

SADC has achieved progress in some substantive areas as for instance:

- A ministerial decision has brought agreement on a major part of the long negotiated Rules of Origin of the Free Trade Area.
- SADC took an early initiative for humanitarian assistance to deal with the emerging food crisis in the region.
- MOUs on "Macroeconomic Convergence" and "Co-operation in Taxation" have been agreed and signed.
- A "mini" Donor Conference has been arranged.

The region has lately had reason to hope for the end of both the 30-year-old war in Angola as well as the war between Rwanda and the DRC. Peace in the region is not complete but a great step towards it has been taken.

Essentially, SADC's challenges are the same as those outlined less than a year ago, but for some of them a solution is increasingly urgent. Missed deadlines and other shortcomings pointed out in the report do not appear to endanger the future success of the organisation but they need to be dealt with before they affect the enthusiasm of Member States, donors and other stakeholders.

5.1 Challenges for SADC

The *first* and most important challenge in the near term is the completion of the institutional restructuring process. Whereas the closure of SCUs and the establishment of the Secretariat have proceeded, the delay in starting the study

of SADC's organisational structure has slowed down the pace of progress in building Secretariat capacity, thereby also retarding progress in implementation of SADC's protocols. Delay in getting SNCs functional means that the visibility of SADC at the national level and therefore the popular sense of ownership is negatively affected.

Second, as already indicated in our 2001 report, preparation of the RISDP has been allotted all too little time and resources. Progress in preparation of the indicative plan is vital for building consensus at the levels of strategy and implementation as well as to communicate SADC's plans to stakeholders, including the general population of the region.

Third, the relationship between SADC and the continental initiatives, AU and NEPAD, has for some time been characterised by the fact that the attention of major players has been focused on continental issues. After the G8 Kananaskis summit and the AU Durban summit it is possible that NEPAD and AU/AEC in the longer run will start considering SADC and other RECs as important areas for concentration. SADC is expected to look to NEPAD in its restructuring exercise but in the near future it is not likely that relations between SADC and the continental organisations are going to be very active. There are hopes that the regional communities may benefit from the NEPAD infrastructure programme but that would mean a much more rapid development of stepping up ODA than looks likely at present.

Fourth, the Organ for Politics, Defence and Security needs to be strengthened organisationally and the SADC Secretariat's role in servicing the Organ sorted out. Notable progress has taken place in developing a common approach to the Organ and its area of operation and more progress may be expected. Despite an important start at the September 2001 meeting in Harare, where SADC member states for the first time publicly critiqued one of the member states, it is, however, difficult to escape the conclusion that the attention to issues of governance and human rights has been restrained. Important reasons for exercising restraint are likely to be SADC States' perceived need to maintain stability in the region and the tendency for regional leaders to close ranks in the face of externally based criticism.

Fifth, it appears important to ask what the real driving forces behind SADC are. The reason why the organisation does not quite live up to its expectations may lie in the Secretariat, in the governing bodies or the relations between them. The oncoming study of SADC's organisational structure might consider the relations between the governing structure and the Secretariat. A reason for the less than entirely successful operations of SADC might be the dearth of common and strong interest among Member States in building a SADC with supranational features. South Africa and Zimbabwe have to some extent been "political engines" in SADC but there are signs that expectations of criticism from the other countries for "taking over" may make South Africa less interested. To keep up the political momentum, a strong alliance of Member States, which can form an "engine" for SADC, is needed. Unless such an alliance appears there is a danger that the organisation may be left politically

unguided to the detriment of its attention to crises and development problems in the region.

Sixth, the present study included an examination of the role of NGOs and other non-state actors in the region. Although most of these organisations are quite weak, they are doing work in parallel with SADC in many fields. Although the majority of them focus on national - and not regional - issues they are likely to support programme implementation and compliance with SADC common values and policies at the national level. Constructive co-operation between SADC and these organisations and support to them will strengthen the implementation machinery for co-operation and integration.

Seventh, it is still important that SADC tackles the problem of distribution of benefits from trade and other integration activities. The problems seen by the MMTZ are caused by the dramatic differences in levels of income and industrialisation between the FTA countries. The new SACU agreement signifies that the SA and the BLNS countries feel that they have a stake in the Customs Union at least for some time to come.

Eighth, in September 2002 negotiations on an Economic Partnership Agreement (EPA) with the European Union will start. The process is likely to become important also for relations between the RECs of the southern and eastern African region. If SADC and COMESA seriously consider an EPA covering the greater region, this may open perspectives for much more active co-operation and co-ordination between the two. One may perhaps even imagine that integration attempts in the future will comprise the whole eastern region of Africa, from Cape to Cairo. The perspectives are broad, and so are the political and technical questions to be compromised and solved.

5.2 Implications for Norwegian Support

Norwegian support to SADC right from its start in 1980 was briefly examined in the CMI 2001 report referred to above. The enduring relationship is in itself a basis for future support, a new phase of which was initiated by the NOK 10 million allocation in 2001 for the purpose of implementing the restructuring plan.

The implications drawn for Norwegian support in our 2001 study at the end of 2001⁹⁵ still stand. In summary it was recommended that

- Norway should offer flexible and short-term assistance during the period of restructuring. It was thought that SADC would need finance to replace member states funding, and there was a need to keep active projects and pipeline projects moving during the transition phase.
- NORAD's capacity to monitor the co-operation and integration process in southern Africa should be stepped up.
- Proposed guidelines for a Norwegian support profile were:

⁹⁵ Section 4.1 p60 ff

- To focus on the core business of SADC (economic integration and peace and stability)
- Render support in areas where Norway has the skills and resources to make a strong contribution
- Be prepared to offer assistance in capacity building for co-ordination of donor assistance
- Closely follow SADC's efforts to facilitate conflict resolution and stability in the region
- In a catalytic manner, contribute to the use of South Africa's crucial resources, strengths and capacities for the benefit of the region.
- Aim to apply Norway's bilateral programmes with countries in the region in such a way that they support projects and activities that can strengthen national institutions and enable them to take part in and benefit from regional co-operation, reducing obstacles that limit implementation of e.g. the Trade Protocol.

The conclusions from the mini donor conference in February 2002 by and large confirmed the appropriateness of these directions.

The developments of the last year leave scope for commenting on the above and considering additional implications for Norwegian support.

First, the imperative of finalising the restructuring process in good order is clearer than before and there is an increasing need to pursue considerable flexibility with regard to the transition period. A "slush fund" approach, in line with the present support for the restructuring process, may be appropriate. Under such an approach SADC would indicate total but unspecified needs within the broad area of institutional restructuring for a period of 2-3 years. Disbursement would take place with a minimum of formality through a well functioning link with the Harare Embassy. The flexible frame for support and disbursement would require strong accounting and auditing routines and regular consultations to determine the future path of the programme.

Second, the mini donor meeting indicated SADC's needs for resources in a number of problem areas related to restructuring. Norway ought to consider how to be of assistance in these areas. Some of them could clearly be covered by the "slush fund" approach mentioned above.

Third, in terms of sectoral support, consensus on the Norwegian side regards the energy sector as crucial for development, suitable for various forms of regional co-operation and able to benefit from Norwegian expertise and technology. Norway should, as soon as possible, communicate with relevant regional organisations and SADC to initiate a discussion of how Norwegian expertise and funding may be applied within the sector in such a way that SADC's ultimate goal of sustainable poverty alleviation is supported.

Fourth, a so-called "core group" of International Co-operating Partners (ICPs) was formed soon after the end of the mini donor meeting. Norway was referred to as a "country having a significant interest in working with the core

group”. Signals from the group may indicate that there is an inclination to move towards one or another form of “basket finance”. Norway ought to seek an active role in the group and contribute to innovative thinking about suitable modalities of development co-operation. As the RISDP under the present circumstances will not be likely to form the basis for the ICP support, the planned ICP conference in October 2002 will require a different format from what was initially planned.

Fifth, although the SADC’s Organ on Politics, Defence and Security lacks operative policies, financial resources and operational capacity, SADC has made bold attempts to address political, defence and security issues and establish procedures. The importance of defence and security for economic growth and regional integration would suggest that Norway at an early stage consider how the Organ may be supported and initiate a discussion about this with SADC.

Sixth, the analysis of non-state actors in the region indicates that there is not a very strong base of such organisations which play a role in regional co-operation and integration. The few NGOs which have regional networks support SADC’s efforts in sectors like health, education and training. They are also active in monitoring and analysis of regional integration. *National NGOs in the region can support SADC at the national level by acting as watchdogs for Member States’ adherence to SADC’s common norms and standards.* Support to NGOs with good potential in one or the other field will promote the acceleration of regional integration.

Seventh, if Norway is to step up its support for regional integration considerably, it will not be a matter of working with SADC alone. Several organisations in the region will have operational and project responsibility for regional integration activities. Some may be connected to SADC in a similar way to RERA or SAPP or they may be free-standing non-state actors. In this context it will be necessary to consider stepping up Norwegian aid management capacity in the region as well its structure and division of responsibilities with the NORAD HQ.

Eight, over the last year, African initiatives for peace, good governance, growth and development have progressed rapidly through the conversion from OAU to AU and through the emergence of NEPAD. The longer-term effects on SADC may be considerable, particular in the AU/AEC setting that considers RECs as building blocks for a rapid development of *continental* integration. In the short term, with implementation mechanisms in SADC, AU and NEPAD at an emerging stage, the scope for donor support to continental / regional activities will not be great. The infrastructure, water and energy sectors could, however, be areas where NORAD increasingly will have to consider the continental aspects of support for SADC.

Annex 1: List of persons interviewed

Malawi:

Alexander E. Bulirani	SADC SADC/GEF Lake Malawi Environment Management Project
Emmanuel Ted Nandolo	Executive Secretary, Council for NGOs in Malawi
Dr Kanyama-Phiri	Principal, Bunda College of Agriculture, University of Malawi
Ian Gilson	Principal Secretary, Tax Policy Section, Ministry of Finance
Helmut Müller-Glodde	Programme Co-ordinator, Malawi-Germany Business and Employment Promotion Programme, German Technical Assistance
William Kabambe	Deputy Secretary General, Malawi Congress of Trade Unions
Charles Njovu	Chief Economist, Ministry of Natural Resources and Environmental Affairs
Exley B.D. Silumbu	Chief Economist, Malawi Confederation of Chambers of Commerce and Industry
Isaac M.C. Chimutu	Operations Director, Malawi Confederation of Chambers of Commerce and Industry
J.H. Koreia-Mpatsa	President, Malawi Confederation of Chambers of Commerce and Industry
K. Desai	Chairman, Garment and Textile Manufacturers Association, Malawi Confederation of Chambers of Commerce and Industry
Leonard D. Sefu	Director, Department of National Parks and Wildlife
Shaibu A. Mapila	Director of Fisheries, Ministry of Natural Resources and Environmental Affairs
Aloysious M. Kamperewera	Deputy Director of Environmental Affairs, Ministry of Natural Resources and Environmental Affairs
William Mutembe	SADC Forestry Sector Co-ordination Unit, Department of Forestry, Ministry of Natural Resources and Environmental Affairs
Christian Fedlmeier	SADC Forestry Sector Co-ordination Unit, Technical Co-ordination Unit, Department of Forestry, Ministry of Natural Resources and Environmental Affairs

Asbjørn Eidhammer	Ambassador, Norwegian Embassy
Arild Skaara	First Secretary, Norwegian Embassy
Grasiano Bulla	Development Centre
Mary Shawa	Ministry of Gender, Youth and Community Services

South Africa:

Richard Humphries	Co-ordinator, Southern African Regional Poverty Network, Human Sciences Research Council
Pundy Pillay	Resident Representative and Senior Economist, RTI South Africa
Christopher Loewald	Chief Director, International Economics, National Treasury
Huntly Pringle	International Economics, National Treasury
Abie Ditlhake	Executive Director, South African National NGO Coalition and President SADC NGO Coalition
Hennie Maters	Senior Consultant, Ecorys Research and Consulting (Team Leader, Evaluation of Danish Regional Assistance to Southern Africa)
Shannon Field	Deputy Director, Institute for Global Dialogue
Garth le Pere	Director, Institute for Global Dialogue
Janine Rauch	Centre for the Study of Violence and Reconciliation (Team member, Evaluation of Danish Regional Assistance to Southern Africa)
Mfundo Nkuhlu	General Manager: Strategy and Planning, South African Revenue Services
Erick Kieck	South African Revenue Services
Schalk J. McDuling	Deputy Director, Foreign Relations Policy, Defence Secretariat – Department of Defence
E. Thusi	Deputy Director, Foreign Relations Policy, Defence Secretariat – Department of Defence
Jackie Cilliers	Director, Institute for Security Studies
Mark Malan	Programme Manager, Institute for Security Studies
Kathryn Sturman	Senior Researcher, Institute for Security Studies
Thaninga Shope-Linney	General Manager – Communications and Marketing, Nepad Secretariat
Steven Friedman	Director, Centre for Policy Studies

Oupa Bodibe	Co-ordinator in the Secretariat Office, COSATU
Ross Herbert	Africa Research Fellow, South African Institute of International Affairs
Elizabeth Sidiropolous	Director of Studies, South African Institute of International Affairs
I. Mohlolo Siko	Director, Foreign Relations Policy, Defence Secretariat, Department of Defence
Roger Southall	Executive Director, Democracy and Governance, Human Sciences Research Council
Vino Naidoo	Senior Researcher, Democracy and Governance, Human Sciences Research Council
Sanusha Naidu	Research Specialist, Integrated Development, Human Sciences Research Council
Adam Habib	Professor and Director, Centre for the Study of Civil Society, School of Development Studies, University of Natal
Pyt Douma	Consultant, Nedworc (Holland) (member of team evaluating Danish Regional Assistance to Southern Africa)
Thembi Majola	Deputy Director General, Presidential Support Unit, Ministry of Intelligence
Willy Nhlapo	Director General, Presidential Support Unit, Ministry of Intelligence
Ajay Bramdeo	Chief Directorate: Africa Multilateral, Department of Foreign Affairs
Sifiso Ngwenyia	Director, Southern Africa SADC, Department of Trade and Industry
John Barrat	DFID Southern Africa
Svein Baera	First Secretary, Norwegian Embassy
Steinar Hagen	Councillor, Norwegian Embassy
Jon Bech	Ambassador, Norwegian Embassy

Zimbabwe:

Wolfgang Zehender	German Technical Co-operation, Co-ordinator, Advisory Service for Private Business (Southern Africa)
Mothae A. Maruping	Executive Director, Macroeconomic & Financial Management Institute of Eastern and Southern Africa (MEFMI)

Soumana Sako	Executive Secretary, The African Capacity Building Foundation
Arild Eik	Ambassador, Norwegian Embassy
Hege Hertzberg	First Secretary, Norwegian Embassy
Ingebjørg Støfring	Minister Counsellor, Norwegian Embassy
Dan B. Ndlela	Associate, Zimconsult
Masipula Sithole	Director, Mass Public Opinion Institute
Munetsi Madakufamba	Editor – SADC Today, Head of Programme for Regional Economic Development and Integration (REDI), Southern African Research and Documentation Centre
Ibbo Mandaza	Chairman, SAPES Trust

Namibia:

Robin Sherbourne	Director, Institute for Public Policy Research
Peter Mwatile	Director, Policy, Planning and Economics, Ministry of Fisheries and Marine Resources
Siseho C. Simasiku	Chief Executive Officer, Electricity Control Board
Constantia U. Pandeni	President, Mine Workers Union of Namibia
Willem Nekwiyu	Trade Policy Analyst: Trade Policy Division, Ministry of Trade and Industry
Andre du Pisani	Professor, Department of Political and Administrative Studies, University of Namibia
William A. Lindeke	Professor, Department of Political and Administrative Studies, University of Namibia
Esau Kaakunga	Senior Economist, Policy Research Division, Bank of Namibia
Paul Kalenga	Principal Economist, Policy Research Division, Research Department
Nepeti Nicanor	Consultant, Project Management
Kaire Mbuende	Deputy Minister of Foreign Affairs, Information and Broadcasting
Dirk Hansohm	Director, Namibian Economic Policy Research Unit
Johan Dahl	Senior Researcher, Namibian Economic Policy Research Unit

Botswana

Tom Robbert	Economic Advisor (Regional), Delegation of the European Commission
Modise Modise	Permanent Secretary, Development, Office of the President
Serwalo Tumelo	Permanent Secretary, Ministry of Finance and Development Planning
Hartmut Krebs	Project Manager, German Technical Co-operation
Maria Overeem	Director, Planning and Research, Botswana Training Authority
Abisha Nyangwo	OH&S Coordination, Southern African Trade Union Co-ordination Council
Benni Bundsgaard	Chief Technical Advisor, Regional OH&S Programme, Southern African Trade Union Co-ordination Council
Baledzi Gaolathe	Minister of Finance and Development Planning
Ernest Sipho Mpofo	Secretary for Foreign Affairs, Ministry of Foreign Affairs
Banny K. Molosiwa	Secretary for Economic Affairs, Ministry of Finance and Development Planning
S. M. Sekwakwa	Director Economic Affairs (Macro), Division of Economic Affairs, Ministry of Finance and Development Planning
Scott Allen	Senior Policy Advisor, USAID Regional Centre for Southern Africa
Balefi Tsie	Department of Political Studies, University of Botswana
N.H. Fidzani	Director, Botswana Institute for Development Policy Studies
Gaogakwe Phorano	Executive Secretary, Botswana Council of Non-Governmental Organisations
Benjamin Moleko	Deputy Secretary General, Botswana Christian Council

SADC Secretariat, Botswana

Prega Ramsamy	Executive Secretary
Themba Mhlongo	Chief Director
A.E. Mondlane	Principal economist
Esther V. Kanaimba	Public Relations Officer

Jean-Claude Legoupil	Technical Advisor, SACCAR/Directorate 2, Food, Agriculture and Natural Resources (FANR)
M. Molapeng	Head, SACCAR/Directorate 2, Food, Agriculture and Natural Resources (FANR)
Fudzai Pamacheche	Principal Economist, Supervisor Directorate 1, Trade Industry, Finance and Investment (TIFI)
Gideon Phiri	Private Sector Co-ordinator
Moeketsi Senaoana	Senior Macro Economic Policy Advisor
Stephen Sianga	Senior Economist
Robert Kirk	Trade Advisor, Directorate 1, Trade Industry, Finance and Investment (TIFI)
Maria Tali	Librarian

Mozambique:

Jan Arne Munkebye	Minister Counsellor, Norwegian Embassy
E. H. Msolomba	Director, SADC Transport and Communication Commission
Alvaro Casimiro	Co-ordinator, LINK – Forum de Organizacoes Nao Governamentais
Pedro Cuoto	Director, Gabinete de Estudos, Ministry of Plan and Finance
Juao Maendiende	Gabinete de Estudos, Ministry of Plan and Finance
Ismael Valigy	Second Secretary, Directorate for Europe and Americas, Ministry of Foreign Affairs
Timothy W. Burn	Team leader, Private Sector Enabling Environment, USAID Mission to Mozambique
Patricio Jose	Deputy Rector, Instituto Superior de Relacoes Internacionais

Annex 2: Terms of Reference

NORAD has given CMI the task to carry out a study to give status for the restructuring of SADC and the regional co-operation in southern Africa.

The report from the study shall have the same format and length as the report of the restructuring of SADC carried out by CMI in 2001.

The main purpose of the study is to give NORAD up-dated information of the institutional restructuring process within SADC.

The Study

Shall give an up-dated presentation of the ongoing restructuring of SADC and give status on

- The restructuring of the Secretariat in Gaborone
- The establishment of National Committees; and
- The development of SADC's Strategic Plan, included a special analysis of SADC's ongoing work with financial administration and the development of a Protocol for macroeconomic harmonisation.

In addition the study shall focus more broadly on the following three areas:

- SADC from the point of view of good governance, democracy and conflict solutions specially in the light of the situation in Zimbabwe;
- The relations between SADC and other regional/continental initiatives, specially NEPAD; and
- The extent and character of regional co-operation between non-governmental actors in the SADC countries.

26.4.02

Annex tables and figures

Annex Table 1: Status of Launch of SNCs

	Member States	Status / Date of SNC establishment	Current status
1	Angola	8 th May 2002	To be launched in June 2002. Report to be submitted June 2002
2	Botswana	Established	Discussions ongoing with Friedrich Ebert Stiftung on resources for launching SNC
3	Democratic Republic of Congo	No information received	No information received
4	Lesotho	Process of establishment at advanced stage	Preparations for launching advanced and funds disbursed
5	Malawi	October 2001	SNC to be launched in June 2002. Funds disbursed, Committee appointed and national secretariat established
6	Mauritius	June 2002	Consultations ongoing to establish SNC
7	Mozambique	Matter before Cabinet	To be launched in June 2002. Secretariat awaiting budget proposal (Japanese funds)
8	Namibia	4 March 2002	Secretariat awaiting budget proposal and to be advised on the date of launching
9	Seychelles	Committee dealing with SADC affairs in place since February 2000	Funding not requested
10	South Africa	Cabinet decision on the structure of SNC still awaited	Funding not required
11	Swaziland	Being established	To be launched before August 2002. Secretariat awaiting budget proposal
12	Tanzania	April 2002	Funds for workshop disbursed
13	Zambia	December 2001	Launched on 11 April 2002. Report of workshop submitted
14	Zimbabwe	Established	Funds for workshop awaited and launch expected early August 2002.

Annex Table 2: Member Countries contributions to SADC budget. Per Cent Share.

Angola	7,0
Botswana	6,8
DRC	8,6
Lesotho	5,3
Malawi	5,6
Mauritius	6,5
Mozambique	6,4
Namibia	6,0
Seychelles	2,0
RSA	20,0
Swaziland	5,5
Tanzania	7,7
Zambia	6,2
Zimbabwe	6,3

Annex Table 3: Summary of Projects and Initiatives for the NEPAD Short-term Action Plan

POWER SYSTEMS PROJECTS	
Mepanda Uncua Hydropower	
Ethiopia-Sudan Interconnection	
West Africa Power Pool (WAPP) Program	
Algeria-Morocco-Spain Interconnection (Strengthening)	
Algeria-Spain Interconnection & Algeria Gas-fired Power Station	
Mozambique-Malawi Interconnection	
Gas/Oil Transmission Projects	
Kenya-Uganda Oil Pipeline	
West Africa Gas Pipeline (WAGP)	
Libya-Tunisia-Gas Pipeline	
Studies	
Grand Inga Integrator	
DRC-Angola-Namibia Interconnection	
Nigeria-Algeria Gas Pipeline	
Sub-Regional Interconnections (East, West, Central)	
Capacity Building (Regional)	
AFREC Operationalisation & REC Capacity Building	
Africa Energy Information System & Planning	
Tools	
Training of Energy Experts	
Facilitation (Regional)	
Policies and Strategies	
Energy Protocol	
Co-operation in new and renewable energy	
Co-operation in improving energy efficiency & reliability of supply	
Co-operation in Oil and Gas trade, refining/processing	
Co-operation in rural energy	
WATER AND SANITATION SECTOR	REGION
A: Enabling Environment for Regional Cooperation:	
Water Resource Planning and Management – Nile Basin	East Africa
Support of New and Existing River Basin Organizations	Several regions
Action Plan for the Integrated	
Water Resources in West Africa	
West Africa	
Water Resources Management in	Central Region
Central Africa	
B: Support to Development of National Integrated Water Resources Management Policies:	
Support for the Development and Implementation of National Water Sector Policies and Strategies - SADC	Southern Africa
C: Meeting Urgent Basic Services:	
Rural Drinking Water Supply and Sanitation in the Niger Basin	West Africa
Combating Drought and Desertification in the Maghreb	North Africa

D: Improving Water Wisdom:	
Water Resources Assessment in SADC	Southern Africa
Implementation of IGAD HYCOS	East Africa
Strengthening of the ABN Interstate Forecast Center (CIP)	West Africa
E: Strengthening the Financial Base for the Desired Water Future:	
Study to Improve Financing Mechanism for Development of the Water Sector	All regions
BETTER AND SAFER ROADS TO BRING TOGETHER AFRICA	
Institutional, policy advice, road safety .	
Studies (estimated on the basis of regional programmes)	
Regional roads upgrading and construction (Based on projects included in REC's programmes, which meet the criteria mentioned above and for which studies are available at least to feasibility level).	
PORTS	REGIONS/ COUNTRIES
Physical	
Mombasa Port: expansion of the capacity of the container terminal and berth conversion.	Kenya, EAC
Nacala Port: rehabilitation in support of concessioning	Mozambique- Malawi: SADC
Lobito Port: rehabilitation, transshipment facilities	Angola
Abidjan Port: container terminal, dredging of Vridi Canal.	Cote d'Ivoire
Dakar Port: rehabilitation and construction of container terminal	Senegal, UEMOA, ECOWAS
Djibouti Port: container handling facilities	Djibouti, Ethiopia, IGAD
Studies	
Mayumba Port pre-feasibility study	Gabon, ECCAS
RAILWAYS	REGIONS/ COUNTRIES
Institutional	
Support for concessioning of railways: Technical assistance for strategy formulation; regulatory capacity building; and provision of transaction advisors.	Kenya, Uganda, Tanzania, Zambia, Swaziland
Physical	
Rehabilitation of Railways in support of concessioning Uganda Railways Malaba – Kampala railway (part of 250 kms), including bridges	East
Port Bell and Jinja wagon ferry terminals rehab.	East
Improving Port Bell – Kampala rail section	East
Kenya Railways Nakuru – Kisumu rail section rehabilitation (part of 250 kms), including bridges	Southern

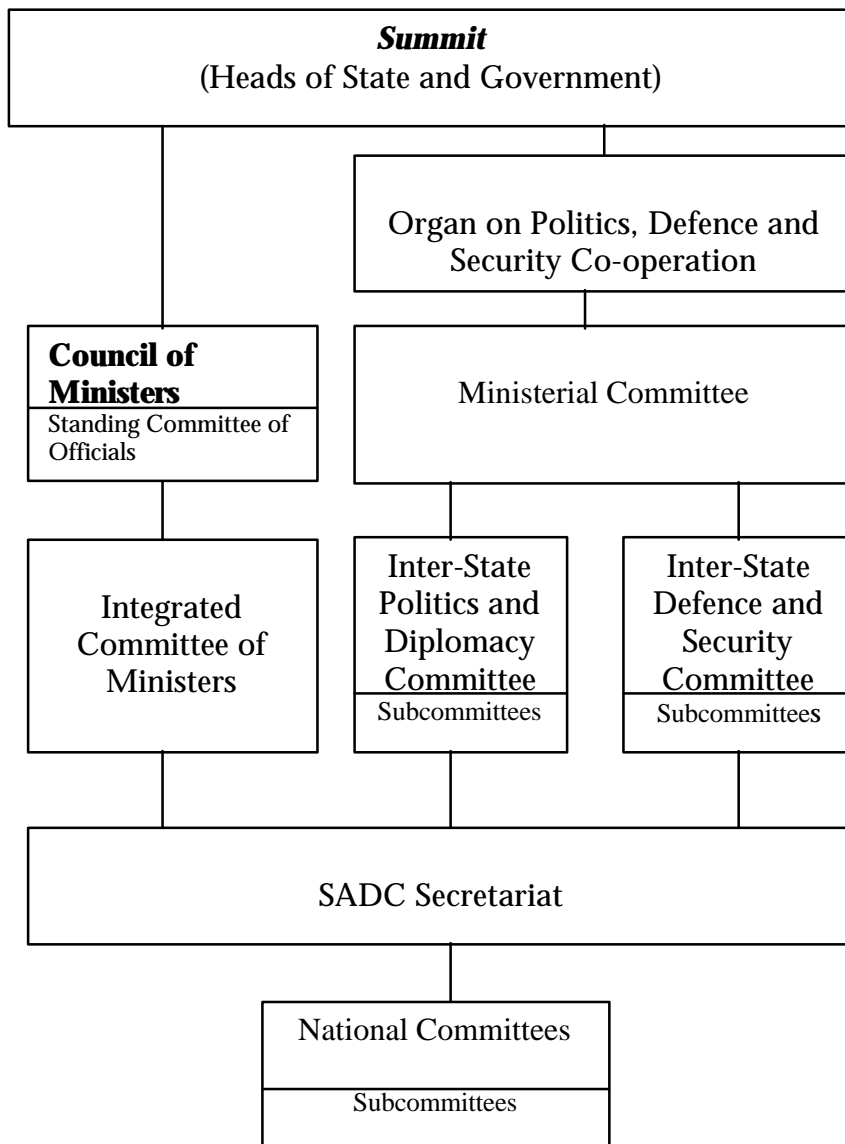
Tanzania Railways Track rehabilitation, upgrading signals telecoms for Dodoma – Tabora – Mwanza section	Southern	
Nacala Corridor Railway Rehabilitation of 77 Kms (Cuamba – Entre Lagos).	Southern	
Studies		
Feasibility study for railways interconnection:	West and Central	
Feasibility study of the Brazzaville– Kinshasa rail/road bridge	Central Region	
Feasibility study of Trans-Maghreb railway system	North Region	
Undertake needs assessment study for Angola and D.R. Congo for rehabilitation of the Benguela railway corridor system	Angola, D.R.C.	
SAFE SKIES - AIR TRANSPORT		
Institutional and physical		
Support for implementation of the Yamoussoukro Decision(liberalisation) and aviation restructuring:	All regions	
Regional co-ordination and exchange of information and best practices	All countries	
Regulatory capacity building		
Upgrading airport security		
Upgrading airport infrastructure and related facilities to category 1 standard,	Two non category-1 major airports per sub-region (total 10)	
Establishment of Upper Airspace Control Centre (UACC)	SADC & EAC	
GNSS project - Implementation of test bed - Installation of ground infrastructure	Africa & Indian Ocean region	
Establishment of joint safety oversight units (COSCAP)	West, Southern & East sub-regions Central, North-East, North	
Studies		
Establishment of Upper Airspace Control Centres (UACC) -	Study to cover other sub-regions (West, Central, North-East, North)	
Aviation infrastructure needs assessment study	Angola and D.R. Congo	
ICT INFRASTRUCTURE DEPLOYMENT FACILITATION PROJECTS		SPONSORS
Telecommunications Equipment Manufacturing in Africa Study	Whole Continent	ITU-Africa Region
ICT Policy and Regulatory Framework Harmonization at Regional Level		ATU, RECs
Strengthening of African Telecommunications and ICT Institutions		Identified Institutions
Programme to Enhance Africa's Participation in the Global ICT Policy and Decision Making Fora		ATU, RECs, NTOs
The ICT Human Resource Capacity Development Initiative for Africa		ATU/ITU-Africa Reg
The SADC Regional Infrastructure Initiative(SRII)	Southern	SADC
The RASCOM Project	Whole Continent	RASCOM
SAT-3/WASC/SAFE- Utilisation to Improve Interconnectivity	South, Central, West, East	SAT3/ WASC/SAFE

Annex Table 4: SADC protocols signed and ratified

	Protocol	Date of signature	Entered into force	Comments
1	<i>Immunities and privileges</i>	1992, August	30.09.93	
2	<i>Shared watercourse systems</i>	1995, August	28.09.98	Angola signed Aug. 1999
3	<i>Transport, communication and meteorology</i>	1996, August	06.06.98	
4	<i>Energy</i>	1996, August	17.04.98	Mozambique to ratify, DRC and Seychelles to accede
5	<i>Combating illicit drug trafficking</i>	1996, August	20.03.99	Angola signed Aug. 1999, DRC to accede
6	<i>Trade</i>	1996, August	25.01.00	Angola, DRC, Seychelles to accede
7	<i>Education and training</i>	1997, September	31.07.00	Angola, DRC and Seychelles to accede
8	<i>Mining</i>	1997, September	10.02.00	Angola and Swaziland to ratify, DRC and Seychelles to accede
9	<i>Tourism</i>	1998, September		Angola, DRC and Seychelles to sign and ratify, Malawi, South Africa and Zambia to ratify
10	<i>Wildlife conservation and law enforcement</i>	1999, August		Angola, DRC, Seychelles, South Africa, Swaziland, Zambia and Zimbabwe to ratify
11	<i>Health</i>	1999, August		Angola, DRC, Seychelles, Swaziland, Zambia and Zimbabwe to ratify
12	<i>Tribunal and the rules of procedure</i>	2000, August		DRC to sign. All except Botswana, Mauritius and Namibia to ratify
13	<i>Legal affairs</i>	2000, August		DRC to sign. All countries except Botswana, Mauritius and Namibia to ratify
14	<i>Revised protocol on shared watercourses</i>	2000, August		DRC to sign, All to ratify except Lesotho, Botswana, Mauritius, Namibia, Mozambique and South Africa
15	<i>Amendment protocol on trade</i>	2000, August	07.08.00	Angola, DRC and Seychelles required to deposit instruments of implementation
16	<i>Politics, defence and security co-operation</i>	2001, August		Angola to sign and ratify. All except Botswana, Lesotho, Mauritius, Mozambique and Tanzania to ratify
17	<i>Control of firearms, ammunition and other related materials</i>	2001, August		Angola to sign and ratify. All except Botswana and Mauritius to ratify
18	<i>Fisheries</i>	2001, August		All except Botswana, Mauritius and Namibia to ratify
19	<i>Corruption</i>	2001, August		All except Botswana and Mauritius to ratify
20	<i>Culture, information and sport</i>	2001, August		All except Botswana, Mauritius and Mozambique to ratify

Source: SADC Secretariat: "Update on the Status of Member States Signatures and Ratifications of and accessions to the SADC Treaty, Protocols and other Legal Instruments. As at 6 September, 2002.

Annex figure 1: The new SADC Structure



Summary

This study was commissioned by the Norwegian Agency for Development Co-operation (NORAD). It is a follow up to “*Assessing the Restructuring of SADC – Positions, Policies and Progress*”. Chr Michelsen Institute (CMI Report R2001).

The study examines the status of SADC’s restructuring exercise as at mid-2002, reviews SADC’s relation to continental initiatives, SADC’s engagement in the Zimbabwe crisis and finally the role of non-state actors in regional co-operation and integration.

Support for the restructuring process among members has not weakened. Whether problems of support may arise in the future will partly depend on the success of restructuring and progress on substance. On several counts there has, however, been slippage compared to the quite optimistic timetable set in early 2001. Despite staff shortages and administrative turbulence caused by the restructuring exercise, over the last year SADC moved perceptibly forward on substantive issues.

The Organ for Politics, Peace and Stability, has made progress in establishing procedures and mechanisms for intervention. However, the Organ still lacks operative policies, financial resources and operational capacity. It is difficult to escape the conclusion that SADC has not sufficiently pursued the issue of governance and human rights since it began to address the Zimbabwe situation.

SADC will both influence and be influenced by NEPAD. SADC would take NEPAD into account during the ongoing restructuring. There will be a need for regional/continental co-ordination mechanisms if and when the NEPAD infrastructure programme, based on regional projects, takes off.

Non-state actors / NGOs may not be involved in regional matters as much as they could be because they are generally weak and unaware of the change in SADC’s policy towards NGOs. Most of them have no regional links and concentrate their activities at the *national* level. But may potentially play a significant role in guarding the maintenance of SADC norms and standards.

Regarding Norwegian support to SADC, the report recommends that NORAD consider the possibility of a “slush fund”. Under such an approach, SADC would indicate total unspecified needs within the broad area of institutional restructuring for a period of 2-3 years. It is also recommended that in the near term Norway should consider sectoral aspects of its longer-term support to SADC; that substantial support to SADC will require that Norwegian aid management to be stepped up far beyond present capacity and that Norway seek an active role in the core ICP group formed after the mini donor meeting in February 2002.

Recent Reports

- R 2002: 4 WIIG, Arne, Anna Milford, Ottar Mæstad og Ørjan Skare
Kan vi kjøpe mer fra våre samarbeidsland? Hvem vet hva og hvordan? Bergen, 2002, 84 pp.
- R 2002: 5 GLOPPEN, Siri
Reconciliation and democratisation: Outlining the research field. Bergen, 2002, 52 pp.
- R 2002: 6 MATHISEN, Harald and Lars Svåsand
Funding political parties in emerging African democracies: What role for Norway? Bergen, 2002, 26 pp.
- R 2002: 7 RAKNER, Lise and Lars Svåsand
Multiparty elections in Africa's new democracies. Bergen, 2002, 34 pp
- R 2002-8 TVEDTEN, Inge et al.
Angola 2002/2003. Key development issues and aid control in a context of peace. Bergen, 2002.
- R 2002:9 SUHRKE, Astri et al.
Peacebuilding: Lessons for Afghanistan. Bergen, 2002, 120 pp.
- R 2002: 10 ISAKSEN, Jan et al.
Socio-economic effects of HIV/AIDS in African countries. Bergen, 2002, 89 pp.
- R 2002: 11 KOLSTAD, Ivar and Line Tøndel
Social development and foreign direct investments in developing countries. Bergen 2002, 29 pp.
- R 2002: 12 KAMETE, Amin Y.
Governance for sustainability? Balancing social and environmental concerns in Harare. Bergen, 2002, 56 pp.
- R 2002: 13 FJELDSTAD, Odd-Helge and Adel Zaghera
Between Oslo and al-Aqsa. Taxation and state formation in Palestine 1994-2000. Bergen, 2002, 42 pp.
- R 2002: 14 KNUDSEN, Are
Political Islam in South Asia. Bergen, 2002, 60 pp.

A complete list of publications, CMI's Annual Report and CMI's quarterly newsletter are available on CMI's homepage <http://www.cmi.no> .

For priced publications:

Surface mail (B-economique) free with prepaid orders. For airmail (A-prioritaire) outside the Nordic countries add 20 %

Four easy ways to pay:

Cheque, issued in Norwegian kroner
Post office giro, paid by International Giro: 0808 5352661
SWIFT: DNBANOB, Den norske Bank no: 5201.05.42308

Order from:

Chr. Michelsen Institute
P.O. Box 6033 Postterminalen, N-5892 Bergen, Norway
Fax: + 47 55 57 41 66 Phone: + 47 55 57 40 00
E-mail: cmi@cmi.no