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**IMPLICATIONS OF THE UN PROGRAMME OF ACTION FOR AFRICAN ECONOMIC
RECOVERY AND DEVELOPMENT FOR LINKAGES BETWEEN COUNTRY PROGRAMMES
AND THE REGIONAL PROGRAMME UNDER THE UNDP FOURTH PROGRAMMING CYCLE**

Implications of the UN Programme of Action for African Economic Recovery and Development for linkages between Country Programmes and the Regional Programme under the UNDP Fourth Programming Cycle

A. INTRODUCTION

1. The UN Programme of Action for African Economic Recovery and Development (UNPA) is the outcome of the 13th Special Session of the UN General Assembly, convened in May 1986 to consider the critical economic situation in Africa. Prior to this, in 1985, African Heads of State had adopted a consolidated medium-term programme, Africa's Priority Programme for Economic Recovery (APPER) 1986-1990. At the same time, the Heads of State also adopted the Declaration on the Economic Situation in Africa which recognized "that the collective effort of member states is the most important weapon for tackling the current economic crisis". APPER was then formally submitted to the General Assembly which welcomed Africa's initiatives as spelt out in the APPER, and adopted the UNPA calling for action at the national, subregional and regional levels. The underlying theme is self-reliant development fostered by collaboration at the subregional and regional levels.

2. Self-reliant development at the subregional and regional levels requires multi-country collaboration to compensate for size and to exploit various complementarities. Multicountry collaboration, therefore, is justified not as an end but as a means to reaching goals which cannot be attained without collaborative efforts. Examples are efficient exploitation of common natural resources, control of epidemiological problems, lower costs associated with joint import procurement, increased bargaining power by a common stance towards creditors and investors, cost effective regional training institutes, etc.

3. However, the current structure and organization of individual African economies exert centrifugal forces which have often neutralized attempts at regional and subregional integration. Many previous attempts at multicountry collaboration have resulted in subregional groupings and institutions that suffer from inherent weaknesses as described later. Consequently they tend to be ineffective and perform poorly. This in turn undermines the confidence and financial support they merit at the national level, further eroding their effectiveness. The result is that many of the subregional groups and institutions become more and more marginal with regard to individual countries' development efforts. Moreover, in response to short-term national interests, member states' support has not infrequently dwindled from the stage of zealous enthusiasm at the start, through mere rhetorical statements at international political fora, culminating in the operational ineffectiveness and disintegration of the grouping/institution.

4. This is not to deny the existence of very effective collaboration supported by African governments, e.g. Southern African Development Coordination Conference (SADCC), and Centre Africain pour les études monétaires (CAEM). Moreover, it is admittedly a simplified version of a scenario complicated by technical, administrative, economic, political and even theoretical considerations which contribute frequently to eventual ineffectiveness and failure. Nevertheless, this pattern prevailed in many previous attempts at regional collaboration, and which contributed to eventual failure, e.g. Union Douanière de l'Afrique de l'Ouest (UDAO) set up in 1959, and the East African Community set up in 1967. The fact is that political will and moral suasion alone are insufficient to sustain efforts at regionalization, especially where national interests may appear to be threatened and the advantages to be derived by individual countries from regional benefits may not be positively identified.

5. Regional and subregional activities therefore must be clearly perceived to be serving national interests. This is particularly important because with limited resources, the perception of relative effectiveness and the degree to which national interests are served are decisive in determining whether to support the intergovernmental organisation. Given the above it is logical that policies, programmes and activities at the regional and subregional level be linked with plans and programmes at the national level in a way that is mutually reinforcing. Furthermore, in the light of past experience, much more caution and care are required to ensure the success of existing and future groupings.

6. The UNDP Regional Programme for Africa in the Third and preceding UNDP cycles concentrated, at the request of African governments, on setting up new institutions and strengthening existing ones. However, for institution building projects, insufficient attention was given to deliberate and systematic efforts to ensure genuine consistency of linkages ^{1/} between national and regional activities.

7. In the design and implementation of the regional programme for the Fourth Cycle, the UNDP will endeavour to promote the maximum possible rationalization and linkages between the regional and country programmes while also exploring ways of strengthening the impact of both programmes so as to produce greater effectiveness and maximum benefit to beneficiaries.

^{1/} Linkages refer to that relationship between subregional or regional institutions on the one hand and national governments or institutions on the other where the policies, plans, activities and results of each complement and support those of the other in a deliberate and systematic manner. Linkages are therefore used flexibly and not as strictly as the concept of backward and forward linkages of input-output analysis.

8. This short paper outlines the necessity for linkages between regional and country programmes, and the scope or areas to be covered and suggests some mechanisms to be set in motion during the Fourth Cycle with regard to UNDP-assisted projects.

B. THE UN PROGRAMME OF ACTION

9. The UN Programme of Action consists of two elements. The first is the initiative of African governments as reflected in APPER, and the second is the response and support of the international community. This paper examines the first element. APPER aims at laying the foundation for structural change, increasing productivity and general rehabilitation of economies. Over 80 percent of the activities and measures outlined are national in character. Nevertheless there is much scope and, in certain cases, need for regional and subregional support. Below are the measures envisaged at the three levels and brief remarks on the importance of subregional collaboration in each case.

I. National measures : (Five areas are assigned priority)

- (i) Agriculture, with two types of measures envisaged: (a) immediate, to combat emergencies, and (b) medium-term, to stimulate the sector and increase productivity and production.

While some measures require national-level action, viz early warning systems, increasing food production, improving extension services, implementing remunerative pricing policies, etc., subregional approaches to pest control, food security network and research and development covering clearly delineated ecosystems will all provide additional benefits. For such regional efforts to be effective, there must be strong links with national activities.

- (ii) Sectors in Support of Agriculture with parallel development of the following industries and sectors,

- (a) - agro related industries
- (b) - transport and communications and
- (c) - trade and finance.

Coordination at the subregional and regional levels is essential if changes are to be made to the current fragmented, often inefficient, and high cost approach to (i) the development of the manufacturing sector, (ii) the utilization of energy resources, (iii) exploitation and processing of raw materials and (iv) implementation of an intra-African transport and communications system.

- (iii) Drought and Desertification - Here the problem must be resolved not only at the national level but also with multinational efforts in selected areas such as river basins, water management, and agrometeorology.

- (iv) Human Resources Development and Utilization - This area is integral to the process of economic recovery. Not only are human resources important factor inputs, but they are also objects, i.e. beneficiaries, of all development efforts. What is therefore needed is careful planning for the development and utilization of this resource to take account of expected rapid changes in its requirements as structural changes occur. At the same time, attention must always be given to the social consequences of structural change itself. However, although action is most appropriate at the national level, innovative regional support mechanisms over and above the traditional provision of fellowships need to be designed in support of national efforts, and
- (v) Policy reforms particularly in economic management, population policy, adjustment measures, full participation of people in development and integration of women in the development process - Although policy reforms are essentially national activities, limited regional support in terms of exchange of experiences and training expertise would be useful.

II. Subregional measures

At the subregional level APPER recognizes that attention must be given to the special needs of the drought-prone countries of the Sahel, Eastern Africa and Southern Africa. Similarly, the landlocked and the island countries, the increasing debt service burden of the North African economies and the problem of refugees are to given special recognition. At this level national efforts are indispensable for the success of subregional activities.

III. Regional measures

At the regional level, the APPER will concentrate on rationalizing and improving national and multinational institutions as well as strengthening subregional organizations. In this case, linkages are obvious.

10. The bulk of activities for APPER as outlined in the UNPA is to be undertaken at the national level. Nevertheless, from the above it is clear that, subregional and regional networks, institutions and collaborative mechanisms would contribute significantly towards assuring their successful implementation. At the same time national activities must be undertaken within a regional framework in order to obtain maximum benefits from regional activities.

C. EXISTING FRAMEWORK FOR IMPLEMENTATION OF THE UNPA

11. Given that the UNPA is to be implemented at the national, subregional and regional levels, it would be useful to examine the structure of national economies, the capabilities and performance of subregional institutions and how the UNPA measures can be implemented by existing mechanisms. It is now well known and widely reported that African economies, with few exceptions, compete with each other in world markets and also generally exhibit similar weaknesses in the organization of production, distribution and exchange. The following table illustrates the similarity of economic structure among African countries.

Economic Structure - Indicators
% of GDP in current 1981 prices

<u>Per capita income Group</u>	<u>Gross Domestic Investment</u>	<u>Government Consumption</u>	<u>Exports</u>	<u>Imports</u>	<u>Agriculture</u>	<u>Manufacturing</u>
US\$ 0 - 200	16.3	25.8	18.1	40.3	41.5	5.6
201 - 300	30.8	16.5	25.1	40.7	23.9(a)	6.5
301 - 400	24.9	20.6	24.8	33.5	32.4	13.3(b)
401 - 500	17.9	20.7	51.2	52.0	35.8	7.7
Over 500	27.3	18.0	33.9	40.9	27.2	12.3

(a) Not typical of the group. The average is closer to 40.

(b) Slightly lower average in this group.

Source: World Tables
The World Bank 1983.

A representative country has been chosen for each of the income groups shown. It will be noted that certain features are common to all groups; the contribution of manufacturing to GDP is small, increasing as per capita income increases; the proportion of agriculture to GDP is high, but decreasing as per capita income decreases; the ratio of imports to GDP is approximately the same and the ratio of government consumption hovering around 20 percent in all cases. Even for exports and gross domestic investment where no clear pattern is discernible, when expressed as a ratio to GDP, the variations are small.

12. In addition, a number of features are common to most African countries. These include: dependence on two or three major products for export earnings; dominance of transnational corporations (TNCs) or their affiliates in mining, manufacturing and the services sector; juxtaposition of highly modernized enclaves, usually in mining and plantations, and a subsistence sector; very limited intra and inter-sectoral linkages; heavily protected, high-cost import substitution manufacturing sector; rapidly increasing debt problem, etc.

13. The significance of these features for each economy varies, but their presence imposes imperatives which influence the extent to which Governments may be willing to forego short-term national interests in favour of longer-term regional and subregional benefits. In many instances of regional collaboration, this is the choice faced.

14. Thus, dominance of different TNCs in, say, mining make regional-level collaboration for rationalization in the production of certain minerals even more difficult, particularly when the mineral involved is a major export earner for the countries involved, as with bauxite in West Africa. Another feature of African economies which hinders regional collaboration is the existence in most countries of highly protected import substitution enterprises which manufacture similar products. Negotiations at the subregional level for tariffs involving these products are slow and arduous.

15. In the transport and communications sector the continued existence of an infrastructure in the region which supports flows in and out of African countries to Europe and the USA rather than among African countries, severely limits subregional cooperation.

16. Furthermore, the present low level of intra-African trade, under 4 percent of world trade in 1983, is an outcome of the export-oriented development strategy in which export of mainly primary products was expected to provide the motive force for economic growth. However, recent studies indicate that raw materials are accounting for an increasingly smaller proportion of final product costs in developed countries. The prospects for traditional exports to developed economies are therefore gloomy. The reorientation of production patterns towards the collective demands of other countries in the region is therefore both urgent and critical.

17. The above summarizes the challenges which subregional and regional institutions and other collaborative mechanisms have to face in performing their functions. How prepared are these intergovernmental organizations (IGOs) to surmount these formidable difficulties?

18. Numerous studies by universities, UN agencies, economic historians, etc., have been undertaken on current and past efforts at subregional collaboration.

These studies have in general concluded that the institutions set up to foster collaboration suffered from, inter alia, poor management practices, inappropriate personnel, substantial and prolonged reliance on foreign assistance for operational matters, etc. These are then compounded by the political and other problems mentioned earlier. Paradoxically, given the arduous nature of the tasks facing these IGOs, requirements for success and effectiveness are even more stringent.

19. It is no wonder then that in the midst of all this, the importance of vertical linkages -- the need to feed outputs and results into national institutions and in turn to be fed by them -- is quickly lost to issues affecting the short-term survival of the institution, including the all-important question of member states' contributions. The result is that the IGOs are perceived by nationals to reflect less and less the national interests as they develop their own momentum simply to maintain their existence. At this stage, the enthusiastic involvement of nationals and national institutions so evident at the inception of the IGO soon weakens.

20. On the other hand, the IGOs' chances of survival would be improved considerably where there are more apparent benefits to be obtained by the individual countries. Similarly, the possibilities for effective support at the national level will be increased as national interests are linked or become identified with the IGOs' interests.

21. The examination above, of the measures called for in the UNPA, demonstrates the need for multicountry collaboration to enhance their successful and effective implementation. The brief analysis of the existing structure of national economies and the organization and development of many multicountry collaborative mechanisms have revealed some of the difficulties involved in multicountry cooperation. It is contended that these difficulties would be less onerous if adequate linkages exist between subregional and regional efforts on the one hand, and national interests on the other, throughout programme and project life. Since, in most cases, individual countries enjoy the net gains of joint efforts only in the long run, i.e., after completion of project activities, the ever present centrifugal forces take control early. What is being proposed is that from conception through implementation, multicountry activities should be better designed to provide benefits to individual countries and national institutions.

22. There are indeed unique opportunities for maintaining linkages between multicountry projects and national institutions during project development which would produce a continuous stream of benefits. To illustrate, young nationals could gain experience in macroeconomic planning and development administration in the offices of subregional economic institutions; staff of construction and communication projects could give practical demonstrations to

young engineers or lectures in universities and polytechnics; subregional firms could be given preference for multicountry project contracts; universities could undertake more subregional consultancies, etc.

23. The above will serve to maintain and make apparent the coincidence or complementarity of national and regional interests. It must be reiterated that, by itself, such linkages cannot guarantee the success and effectiveness of subregional groups. Other influences -- ideological and political problems among member states or deliberate sabotage by powerful interest groups -- present different obstacles to be overcome. The same holds for the other factors mentioned earlier. However, when consistently and systematically enforced, linkages contribute to a better understanding and support of regional concerns at the national level.

24. In addition, linkages serve to ensure and even promote a unity of purpose among the activities, whether vertically or horizontally linked. In the absence of effective linkages, activities and projects tend to become disparate, may not move in the same direction and often conflict and compete with each other. All this at the detriment of the overall purpose they are intended to serve.

D. ROLE OF UNDP

25. The UNDP can play a key role in the recovery programme for Africa. At the field level, the UN General Assembly and the Economic and Social Council (ECOSOC) have assigned UN Resident coordinators to be focal points for the UN operational system's development activities. Certain features make UNDP eminently suitable to assist African governments in coordinating the implementation of the UNPA. These are:

- (i) The presence of a UNDP field office in virtually every country on the continent. This facilitates access to national institutions and allows a greater appreciation and understanding of country-specific conditions, needs, policies and experiences. Field offices, in turn, provide countries with access to information about regional projects which may be of national interest.
- (ii) The existence of a regional programme, in addition to country programmes, which enables region-wide perspectives and the launching of region-wide approaches to resolve common problems.
- (iii) Its multinational, multisectoral character which ensures neutrality and objectivity in all its activities.

- (iv) The existence within UNDP of a wealth of experience derived from technical assistance to other regions, notably Latin America and Asia, as well as access to global and interregional programmes with activities in such priority areas as agricultural research, energy, health, etc.
- (v) The use of two innovative mechanisms - National Technical Cooperation Assessments and Programmes (NATCAP), for the planning, development and utilization of human resources and the identification of technical assistance priorities, and Round Tables, which arrange for dialogue with interested countries' donor partners.

26. With these unique advantages UNDP should be more extensively used by member states in Africa in their efforts to meet the goals set out in the UNPA. Indeed, the UNDP is well placed to ensure the linkages between the national and regional programmes are enhanced, developed and fortified.

27. Enhancement and promotion of linkages cannot occur accidentally or arise automatically; they must be deliberately planned. In this context, it should be borne in mind that linkages imply a cohesive programme of activities. An evaluation of the UNDP Third Cycle Regional Programme conducted by an independent panel of consultants drew attention to the insufficiency of linkages between national efforts and multinational activities in certain areas, notably the transport and communications sector and regional institutes. Equally weak were horizontal linkages. This is to be corrected in the Fourth Cycle. The Regional Bureau for Africa has issued guidelines for Country Programmes which include the need for linking subregional and regional activities with national efforts. UNDP's contribution to the UNPA should therefore be seen in the form of a programme composed of two elements - firstly, intervention at the country level through country programmes and secondly, the regional programme. Both levels will be complemented by inter-regional and global UNDP projects in some priority areas, e.g. water and sanitation.

E. CONCLUSION

28. The implications of the UNPA indicate the importance of coordination and collaboration among the different levels of activities (regional, subregional and national) in order to effectively implement the measures outlined. The small size of most African economies and economies of scale necessitate dependence on multinational African enterprises, efficient subregional physical infrastructure, and other intercountry solutions. This in turn requires effective linkages, horizontal and vertical, to ensure that a concerted programme for the recovery and development of African economies is realized. Furthermore, linkages will contribute significantly in aligning

policies and practices of regional institutions and groupings with those of national interests.

29. The existing structures of African economies and the organization of intergovernmental agencies, on the one hand, militate against regional collaboration, and on the other, make it even more important to link all levels of the programme. Without strong linkages, collaboration and economic co-operation are likely to be even more difficult and ineffective.

30. In the case of UNDP, certain positive features of its organization and methods of work facilitate promotion of systematic efforts to link activities at the two levels especially through country and regional programmes. What remains to be seen, therefore, are the operational mechanisms and steps to be taken in order to set up a system which will guarantee that adequate and appropriate account is taken of vertical and horizontal links.

31. To begin with, in the Fourth Cycle the UNDP Africa Bureau will put greater emphasis on the need for dynamic linkages between regional projects and national activities -- specially but not exclusively UNDP-financed country projects. In this regard, during preparation and review of Country Programmes national projects are to take account of, and be integrated with, regional projects to the greatest possible extent. For regional projects, concrete evidence of complementary activities and genuine commitment by the participating governments must be shown before approval is given.

32. A number of projects proposed by UN agencies for the Fourth Cycle Regional Programme, which lack endorsement by participating countries or involvement of existing IGOs, are to be deferred until appropriate consultations have taken place. Even then, the Bureau will insist on definite evidence of commitment (financial as well as operational) by national units, as a precondition for the start of project funding.

33. In order to provide national benefits at an early stage in project life, opportunities in regional projects for on-the-job training of nationals will be utilized. All projects financed under the regional programme will contain provisions for this type of activity. To illustrate, governments may be requested to identify suitable nationals to join project design teams; UN Agencies will be encouraged to use African IGOs for consultancies; and universities will be called upon to undertake national activities which are components of regional projects. At the same time, the Bureau will be examining options for dealing with questions such as: how to ensure dissemination and use of agricultural research results to national levels; possibilities to support measures for strengthening extension services at the regional level; how to use regional mechanisms for transferring national "success stories" to other African countries, etc.

34. In sum, although the implementation of the UNPA will take place primarily at the national level, regional and subregional activities will be indispensable to facilitate, support and coordinate national efforts. Maximum impact can be expected from an integrated programme in which constituent elements at the regional, subregional and national levels reinforce each other through effective linkages. Regional and subregional groupings and arrangements must foster these linkages, not only as a contribution to the successful implementation of the UNPA, but also to maintain their continued relevance, a factor which is crucial for their survival. UNDP will promote the strengthening of these linkages through the regional and country programmes.

35. More important, however, is the support of national planning ministries in this effort so that as far as possible national targets are set within the framework of the regional strategy. To this end, ministries should feel free to call upon UNDP through the field offices for support and advice as required. In fact, the UNDP office should be considered an arm of the Ministry.