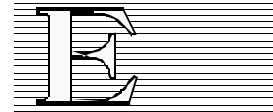




**UNITED NATIONS
ECONOMIC AND SOCIAL COUNCIL**



Distr.: GENERAL

E/ECA/CM.39/7
8 May 2006

Original: ENGLISH

ECONOMIC COMMISSION FOR AFRICA

Twenty-fifth meeting of the Committee of Experts
of the Conference of African Ministers of Finance,
Planning and Economic Development

Ouagadougou
10 - 13 May 2006

ECONOMIC COMMISSION FOR AFRICA

Thirty-ninth session of the Commission/Conference
of African Ministers of Finance, Planning and
Economic Development

Ouagadougou
14 - 15 May 2006

**REPOSITIONING ECA TO BETTER RESPOND TO AFRICA'S PRIORITIES:
Note by the Executive Secretary**

A. Background

1. Since its establishment nearly half a century ago, the United Nations Economic Commission for Africa (ECA) has had a history of significant achievements in the discharge of its mandate to “promote the economic and social development of its member States, foster regional integration, and promote international cooperation for Africa’s development. These achievements are attributable to support from member States, the United Nations, development partners and periodic rejuvenation of the institution by its leadership through reforms addressing the identified needs of member States.

2. Hence, in the 1990s, against the backdrop of poor economic growth, worsening social indicators, and prevalent political conflict, ECA undertook deep reforms to position itself to serve Africa better. Anchored on three key principles – excellence, cost effectiveness and enhanced partnerships – the reforms of the 1990s aimed to bring about changes at the programmatic, managerial, organizational, and inter-governmental levels of the Commission. Although progress was made as a result of those reforms, new circumstances within the international arena, the regional landscape and the United Nations now clearly impel a further repositioning of ECA to enable it to respond effectively to the changing requirements and demands of its member States in a rapidly changing global environment.

B. The Rationale for Reforms

3. The world is not static. Since the last ECA reforms, much has happened at the global, regional, and country levels and within the United Nations itself. These major developments compel ECA to reassess itself in order to reposition its activities, where necessary, to respond effectively to the needs of Africa. Key new and persistent developments are:

- (a) The persistent slow rate of economic growth across Africa. Although economic growth has resumed in many countries, it remains significantly below the rate needed to halve poverty by 2015, making it unlikely that many African countries will meet the targets of the Millennium Development Goals unless bold actions are taken;
- (b) The implementation by African countries of poverty reduction strategies has unearthed new areas of domestic strategic importance in member States. In particular, the prospect that some countries will graduate out of debt presents challenges, risks and opportunities;
- (c) The emergence of major new continental institutions and initiatives, particularly the African Union Commission (AUC), the African Parliament (AP) and the New Partnership for Africa’s Development (NEPAD), that are providing leadership to advance the African development agenda;
- (d) The increased international goodwill and consensus on the imperative to address the special needs of Africa as is evident from the emphasis at the G-8 Gleneagles Summit, the Outcome document of the 2005 World Summit and the United Kingdom Commission for Africa;
- (e) The United Nations reform process that is being undertaken following the 2005 World Summit to, in the words of the Secretary General, “transform the United Nations by aligning it with, and equipping it for, the substantive challenges it faces in the twenty-first century”.

4. These developments, along with some others, have created a new reality for ECA and make it necessary to reposition of the institution in order to ensure that it continues to be relevant to the evolving needs of its member States. A repositioned ECA will be one that is alive to the needs of its member and better situated to advocate innovative ideas to spur growth and social development. In addition, it must be able to assist the new regional initiatives and programs and effectively respond and contribute to emerging global issues.

C. The Task Force

5. Conscious of the imperative for ECA to reposition itself in order to respond proactively to these new realities, aware that such repositioning was critical to assure ECA's continued relevance, and in response to recent calls by and advice from member States of the Commission for ECA to respond more effectively to the identified needs of member States and enhance its impact, the new Executive Secretary established a Task Force in March 2006. The Task Force, with membership drawn largely from ECA staff, was charged to assess the current and emerging economic and social challenges confronting Africa and to make recommendations on what internal changes ECA must make in order to play a much more effective role in addressing those challenges. The work of the Task Force has been informed by comprehensive internal consultations with ECA staff and with some member States. The Task Force also consulted with key African institutions mainly the AUC, the African Development Bank (AfDB), and the regional economic communities (RECs) as well as members of the United Nations family and other development partners. Although its work is still unfinished, the Task Force has made several initial findings and recommendations which are highlighted below.

D. Repositioning ECA: Priority Focus

6. The 2005 World Summit Outcome Document reaffirmed the goals of the Millennium Declaration as the central international framework for addressing the world's development priorities. It also saw a resolution from Member States to *"adopt, by 2006, and implement comprehensive national development strategies to achieve the internationally agreed development goals and objectives, including the Millennium Development Goals"*. It is now generally acknowledged that, with few exceptions, given the current trends and context, Africa, as a continent, will not meet most of the MDG targets within the set timeframes. ECA needs to squarely address this challenge and make the necessary changes to respond to it. As most African countries now require significant support in their quest to implement the Summit Outcome resolution and significantly scale up efforts to achieve the MDGs by 2015, ECA must place a special emphasis on helping them to build the necessary institutional and human capacity, in those areas in which ECA can really make a difference, within the context of the MDG needs of the continent.

7. The analysis of the challenges facing Africa and the comparative advantage of ECA in that landscape also imper the Commission to refine its programme priorities so as to avoid duplication, promote complementarities, eliminate inconsistencies and address the benign neglect of important sectors. While maintaining its analytical and knowledge-sharing capacity across the full range of development themes and sectors, forging stronger partnerships and more dynamic networks with core stakeholders, ECA must now focus its "operations" on a more limited set of sectors and themes where its competence and contribution are widely acknowledged.

8. Based on the Task Force's consultations and comprehensive assessment of the status quo, it is proposed that ECA should focus on scaling up activities and achieving results in two key, inter-related areas, namely:

- (a) *Promoting regional integration, and*
- (b) *Meeting Africa's special needs and the global challenges faced by the continent.*

Both areas are consistent with ECA's mandate and are strongly aligned with the development agenda of the African Union.

E. Promoting Regional Integration: Support to the AU Vision and Priorities

9. ECA must fully support the African Union's efforts to accelerate the political and socio-economic integration of the continent, promote and defend African common positions and establish the necessary conditions to enable the continent to play its rightful role in the global economy. ECA has, in the past, supported and promoted African regional integration by undertaking analytical studies such as the series on "Assessing Regional Integration in Africa", the African Development Forum on the theme "Promoting Regional Integration in Africa", and the programmes on transport and communications infrastructure. ECA will deepen this support by focusing on the following:

- (a) Strengthening and deepening analytical research on and policy analyses of integration issues such as regional/trans-border public goods; promoting policy measures and actions for implementing various regional strategies and initiatives; facilitating the development of agreements or conventions on transnational issues; building consensus and engaging in advocacy for regional integration;
- (b) Strengthening the capacity of and providing technical assistance to the institutions driving the regional integration agenda, namely the AUC, RECs and African inter-governmental organizations (IGOs). In addition to deepening an already close and supportive relationship with the AUC in Addis Ababa, ECA further proposes to place a stronger focus on the identified needs of the RECs which form the building blocks of the African Union programme to create the African Economic Community, through:
 - (i) A region-specific multi-year partnership strategy agreed with each REC and having clearly articulated results and milestones;
 - (ii) Substantially empowering the ECA Sub-regional Offices (SROs) to deliver agreed results consistent with the 18 December 2005 General Assembly resolution which called on the Secretary-General to present a plan to improve the SROs. The ECA Task Force, as part of its mandate, is preparing a comprehensive plan aimed at improving the capacity and operational impact of SROs.
- (c) Working on a cluster of cross-border activities and initiatives in several sectors, which are vital to the advancement of the regional integration agenda, including the provision of transport and communications infrastructure as well as the

promotion of energy pools, management of shared natural resources such as water, and scaling up trade facilitation to expand intra-Africa trade.

- (d) ECA will also rely on improved networking with centres of excellence in Africa and abroad. It will, where necessary, help to strengthen the capacity of these centres to play an important role in promoting regional scientific and educational integration, thereby advancing the overall regional integration agenda.

F. Meeting Africa's special needs and global challenges faced by the continent: Comprehensive Support to NEPAD Programme Implementation

10. The NEPAD programme presents a well-articulated framework for addressing Africa's particular development challenges. The importance of "*coherent support for the programmes drawn up by African leaders within the (NEPAD) framework*" was also reaffirmed in the 2005 World Summit Outcome Document as a key to, what the Summit termed, "*Meeting the special needs of Africa*". In that context, it is most important that ECA's activities under this pillar focus on attaining these main objectives of NEPAD: eradicating poverty, placing African countries on the path of growth and sustainable development, halting the marginalization of Africa in the globalization process, enhancing its full and beneficial integration into the global economy; and accelerating the empowerment of women. The NEPAD framework also recognizes the important role of institutions in the development process. The African Peer Review Mechanism (APRM) is geared to enabling African countries to share best practices with their peers and to obtain a candid assessment of their own performance in this area. ECA will therefore seek to offer comprehensive support in all the areas highlighted above, while at the same time playing to its comparative advantage.

11. In light of the foregoing, ECA will, under this second pillar, concentrate its activities in the following key thematic areas:

- (a) Social development, with special focus on the Millennium Development Goals;
- (b) Food security and sustainable development with increased emphasis on improving agricultural production systems in a manner consistent with environmental sustainability;
- (c) Emerging global issues and economic development. In those areas of trade and international finance implicated in Africa's quest for economic development, ECA will intensify its analytical work on policy issues in order to assist member States to better understand their implications and how best to respond to them;
- (d) Harnessing information and communication technology, innovation and knowledge systems, science and technology; and
- (e) Improving governance and development management to enhance national capacity and capability and to support the APRM process.

G. Crosscutting themes

12. A significant focus on the crosscutting issues of statistics and gender is also vital to efforts to advance the regional integration agenda and meet the special needs of African countries, particularly the NEPAD and targets of the Millennium Development Goals.

- (a) Statistics: ECA will scale up efforts in the area of data and statistical analyses and building statistical capacity in member States. It will focus on helping countries in the region develop performance indicators and statistics for MDG tracking.
- (b) Gender equity and women's empowerment: In addition to on-going work on monitoring global action plans such as the Beijing Platform of Action, efforts will be scaled up to strengthen technical analysis of gender and equity issues, the gender dimension of poverty and promoting women's participation in decision making processes.

H. Modalities

13. The modalities for achieving the above stated objectives will exploit ECA's comparative and competitive advantage in the areas of knowledge production and management, research, advocacy, consensus building and peer learning.

- (a) Knowledge production and management: Knowledge as well as innovation systems are critical for economic and social development. ECA will promote wider access to the knowledge that it creates by upgrading its web portal, deepening collaboration with African universities, research institutes and research networks such as the Africa Economic Research Consortium (AERC), the Africa Capacity-Building Foundation (ACBF), the Council for the Development of Economic and Social Research in Africa (CODESRIA) and non-African research institutions and centres working on African issues. ECA will enhance its contribution to the knowledge base of the continent by promoting knowledge sharing, and acting as an interface and platform for its management and consolidation;
- (b) Research: ECA conducts research relating to economic and social conditions on the continent. It is proposed that such research should continue, especially in light of the persistent challenges facing the continent. Research is needed to assist policymakers to deepen their understanding of economic, social and political conditions on the continent and in order to better design the policy instruments required.
- (c) Advocacy: Advocacy will continue to be a major activity of ECA. The promotion of ideas emanating from its research and the use of its consensus building mechanisms will help African countries to design policies for forging closer cooperation and securing economic growth. Advocacy is also useful for mobilizing such stakeholders as civil society organizations to pursue a common vision.
- (d) Consensus building: One of the strengths of the ECA is its convening power, which is the basis for building consensus amongst its member States on the socio-economic priorities of the continent as well as on a common response. While the inter-governmental machinery of the institution, starting with the Conference of African Ministers of Finance, Planning and Economic Development, would remain the apex body for the consensus-building activities of ECA, other forums including expert level meetings, as well as the various workshops and seminars that ECA organizes, will contribute to this process. Consensus-building activities will cut across the various programmes of the institution in a manner that contributes to the effective implementation of ECA's mandate;

- (e) Peer Learning: As one of Africa's leading knowledge institutions, ECA will leverage its competitive and comparative advantage to promote knowledge-sharing through the APRM, to meet the needs of its member States, RECs and other IGOs. In this regard, it will build on its recognized success in promoting peer learning around the poverty reduction strategies (PRS) process.

I. Partnerships

14. Effective and productive partnerships are critical for advancing the African development agenda. To this end, ECA will strengthen existing partnerships and build new ones. It will seek and foster closer collaboration with key actors and stakeholders in the African development arena to achieve results in a focused, deliberate manner. Above all, it will forge a stronger partnership with other continental institutions particularly the AUC and the AfDB. The revamped joint AUC/AfDB/ECA secretariat – which has already been agreed – will be critical in this regard.

15. Due to the significant role and numerous programme activities of the United Nations system in Africa, it is also especially important that ECA, the United Nations Development Programme (UNDP) and other members of the United Nations family now look squarely at how best they can work more coherently and effectively together to help African States in their quest to achieve the MDGs. Given its mandate and comparative advantage as the United Nations' regional economic commission for Africa, ECA will continue to play a leading role in pushing for a coherent United Nations voice in Africa.

16. In this regard, ECA will place special emphasis on ensuring that United Nations system programmes and activities coherently support the priorities of the AUC, as that institution guides the implementation of the continent's political and development agenda. Furthermore, advancing the African development agenda requires that ECA should build and strengthen external partnerships. ECA will therefore work very closely with the Office of the Special Adviser on Africa (OSAA) to present and advocate Africa's interests and views to the broader international community. It will also strengthen collaboration with Africa's multilateral development partners such as the World Bank, the International Monetary Fund (IMF), the World Trade Organization (WTO), the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD/DAC), and the European Union as well as bilateral partners. These partnerships are very important for Africa and ECA will assist member States to harness the opportunities that they present.

17. Bearing responsibility for coordinating United Nations support to the African Union (AU) and for the implementation of the NEPAD programme, ECA will expeditiously reinvigorate and effectively operationalize the United Nations regional consultative mechanism. This will now become a significant focus of ECA's energies because the mechanism is a critical element for fostering effective partnerships to advance the continent's development agenda. ECA will move quickly to agree new partnership modalities with all stakeholders. In particular, it will seek to agree a clearer division of labour and responsibilities with UNDP and other specialized agencies working in Africa as well as with the World Bank, the IMF, and the WTO.

J. Organizational, Process and Cultural Changes

18. To equip itself to respond as robustly as possible to new and emerging demands, ECA must now place an increased emphasis on maximizing value-added, quality and responsiveness based on:

- (a) The establishment of knowledge and learning systems that aim to bring the “best that ECA can deliver” consistently in all its operations and services, and;
- (b) The establishment of quality assurance mechanisms that can enable significant and measurable gains to be made in the quality of its processes and outputs, and hence, results.

19. The Commission’s organizational structure, resource allocation and skills mix will also have to be aligned closely with the demands of the above strategic priorities and focus. In that context, ECA must work hard to ensure the institutionalization of a human resource and work environment aligned with the principles of United Nations reform and leading to improved staff motivation and performance. Furthermore, it must strengthen leadership and management processes for:

- (a) Integrated planning, budgeting, work programming, monitoring and evaluation within the results-based management (RBM) framework;
- (b) Enhanced programme delivery; and
- (c) Managing risks and ensuring adequate controls and safeguards for enhanced integrity and accountability.

20. To ensure success over the long term, all these changes will have to be underpinned by a simultaneous effort to transform the work culture of the institution into one that strongly emphasizes the following:

- (a) Trust and mutual respect;
- (b) Transparency, openness and access;
- (c) Professionalism and excellence;
- (d) Innovation and knowledge sharing;
- (e) Delegation and empowerment of staff combined with an increased accountability; and, (critically);
- (f) Results.

K. The Way Forward

21. These focused and innovative proposals for repositioning ECA reflect a move to squarely align ECA with the regional priorities that form the African Union’s programme for the continent. They are also in line with the agreements reached at the 2005 United Nations World Summit and the core elements of the Secretary-General’s latest reform proposals. They will have implications for resources, over and above savings that can be achieved through improvements in focus and internal synergies as well as gains in efficiency and cost-effectiveness. In that context, as well as an increase in resource allocation from the General Assembly, they will require a greater mobilization of extra-budgetary resources.

22. Furthermore, these changes may also require adaptation of the Commission's governance systems. As the leaders of the Commission, the direction and support of African Ministers of Finance, Planning and Economic Development is going to be critical as ECA moves forward with this agenda for change. Therefore, learning from your initial feedback, as well as guidance from the Secretariat at United Nations Headquarters and in consultation with other partners, ECA will, in the weeks ahead, proceed to take the measures needed to reposition itself to become a more effective institution that better responds to Africa's priorities.