

**MEETING OF THE JOINT OAU/ECA/ADB
SECRETARIAT WITH THE REGIONAL
ECONOMIC COMMUNITIES
OAU SECRETARIAT
04 - 05 JUNE 1996
ADDIS ABABA, ETHIOPIA,**

REPORT

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I. INTRODUCTION

1. The meeting of the Joint OAU/ECA/ADB Secretariat with the Regional Economic Communities was held from 04 - 05 June, 1996 at the OAU Headquarters, in Addis Ababa, Ethiopia. The main objective of the meeting was to prepare jointly for the Seventh Consultative Meeting of the Chief Executives of the OAU, ECA, ADB with the RECs and the first sessions of the OAU/AEC ECOSOC meeting and AEC Summit.

II. ATTENDANCE

2. The meeting was attended by representatives of COMESA, ECOWAS, ECA, ADB, OAU and UNDP. The list of participants is attached as Annex II.

III. OPENING OF THE MEETING

3. In his opening remarks, Ambassador Vijay S. Makhani, the Assistant Secretary General of the OAU and Chairman of the meeting, welcomed the delegations to the meeting and recalled that the preparations for the meeting which had been started by the Joint Secretariat since the beginning of the year, were satisfactory. He said that the Joint Secretariat recognised that their working relationship should be reviewed to make it more responsive to its mandate and aspirations. Recalling the meeting of the Joint Secretariat held in February/March 1996, he added that the agenda to be examined had been agreed upon at that meeting and concluded by wishing the participants fruitful deliberations.

IV. ADOPTION OF THE AGENDA AND ORGANIZATION OF WORK

4. The meeting adopted the following agenda for its work:-

- (1) Adoption of the Agenda.
- (2) Preparation of the first OAU/AEC ECOSOC and AEC Summit.
- (3) Terms of Reference and working modalities of the Joint Secretariat.

- (4) Coordination of Action with respect to:
 - (a) World Food Summit.
 - (b) African Energy Commission.
 - (c) UNTACDA II; IDDA II.
 - (d) Sustainable development and environment.
 - (e) Commodity Diversification Fund (CDF) and the African Development Fund (ADF).
 - (f) Beijing International Conference on Women.
 - (g) Africa's External Debt.
- (5) Implementation of the Cairo Agenda for Action.
- (6) Future Joint Activities of the Joint Secretariat and the RECs.
- (7) Preparation of the draft Joint Statement of the Chief Executives of OAU, ECA and ADB with the RECs.
- (8) Any Other Business.
- (9) Adoption of the Report.

5. The meeting adopted the organization of its work as follows:

- * Morning : 10.00 - 13.00 hours
- * Afternoon : 15.00 - 18.00 hours

V. DISCUSSION OF THE AGENDA ITEMS AND CONCLUSIONS REACHED

Agenda Item 2: Preparation of the First OAU/AEC ECOSOC and AEC Summit

6. In introducing this agenda item, Ambassador Vijay S. Makhan informed the meeting that documents for ECOSOC had been prepared jointly by the OAU, ECA, ADB and the RECs and that they had been sent in time to Member States. Unfortunately, only ECCAS had reacted to the documents. He expressed his concern at the low response from Ministers of Member States to attend the ECOSOC meeting, although they had been sensitized by the Secretary General himself at the February 1996 session of the Council of Ministers and followed up with letters addressed to

Foreign Ministers of all Member States. He added that it had been decided at the last OAU Council of Ministers to devote some time, during the Yaounde meeting of the OAU Council and Summit, to the first Council and Summit of the African Economic Community. He then invited the meeting to comment on the documents.

7. In considering the documents, the meeting observed that the issue of coordination and networking within the Joint Secretariat in the gigantic task of implementing the Treaty had not been properly reflected in the documents. It was considered that the issues were important and should be reflected.

8. On the advisability of convening ECOSOC so soon after the ECA Conference of Ministers on the same issues, it was explained that the ECOSOC meeting was a specific one, concentrated on the implementation of the Abuja Treaty which had been signed and ratified by Member States with statutory responsibility to meet and take important decisions pertaining to the implementation of the Treaty. The meeting noted that, in future, there should be coordination and rationalization of organs and their meetings.

9. The meeting noted that the issue of prioritization of activities within the integration process at the regional level was not well defined in the document, especially the issue of assessment of the RECs. It was then clarified that before strengthening the RECs, they would be assessed in order to determine the areas in which they needed to be strengthened. A point was raised that immediate priorities for the RECs evolved around the need to mobilize resources for the funding of programmes and the functioning of institutions, as well as issues of harmonization, coordination and rationalization within the establishment of a mechanism to steer related activities in a region.

10. The Chairman in his conclusion, clarified the issues regarding the role of the OAU vis-à-vis the Joint Secretariat and the question of studies:

- i) he reaffirmed the provisions in the Treaty that the Secretariat of the AEC is that of the OAU, which has primary responsibility for spearheading the implementation of the Treaty, and that;
- ii) new technical studies should only be undertaken if and when found to be absolutely necessary.

Agenda Item No.3: Terms of Reference and Working Modalities of the Joint Secretariat

11. The document on the above item was presented by the Chairman who remarked that it was the combined effort of the Joint Secretariat, and that copies had been circulated to all concerned long before the meeting.

12. In the ensuing discussion, the meeting enquired of the ECA and the ADB their position towards the Joint Secretariat following the restructuring of the two institutions. The ADB representative said that the Bank has continued to be involved in the Joint Secretariat as in the past and that economic integration was one of the priorities of its strategic framework. The Bank was also continuing its efforts to finance multinational projects or studies related to the harmonization of activities of regional groupings within the implementation of the Treaty. The ECA representative in turn reiterated ECA's strong dedication and commitment to the African Economic Community and informed the meeting of the establishment of an Economic Cooperation Division within the ECA, responsible for AEC affairs. He recommended that the Joint Secretariat should go beyond general declarations and look at concrete ways of implementing the Treaty.

13. Concluding, the Chairman emphasized the need for the Chief Executives to meet at least once a year. However, preference was for biannual meetings in view of the intensified activities related to the implementation of the AEC. Flexibility was needed in deciding on venues for these meetings. The Joint Secretariat however should hold at least two meetings per year.

Agenda Item No. 4: Coordination of Action with respect to:

(a) World Food Summit

14. Pursuant to the discussions on this issue, the meeting decided that the paper received from the FAO after the Ouagadougou meeting and which was meant to be presented at the Yaounde Council of Ministers should be immediately submitted to a working group composed of the ECA, the ADB and the OAU so that the African common position for the above summit was well prepared and the provisions of APPER on food security included.

15. The ADB representative informed the meeting that the ADB was a member of the Ad-Hoc Committee of Food Security Strategy for African Countries established in 1992 and comprising the Government of Senegal, the Islamic Development Bank (ISDB), the ADB and the Organization of Islamic Conference (O.I.C.). Pursuant to the preliminary study carried out by the Ad Hoc Committee, the Bank has elaborated the Terms of Reference for preparing national food profiles. He also indicated that the Bank had committed 30% of its lending programmes to the agricultural sector, to support and promote particularly operations related to food security and poverty reduction. The representative of the ECA also informed the meeting that one of the five strategic areas of the Commission's intervention in support of Africa's development was to ensure food security and sustainable development. A specific programme was being designed and a new division created to this end.

16. The meeting recommended that, after the World Food Summit in November, the Joint Secretariat should set up a working group to assist Member States, individually and collectively, to translate the Action Plan which would be adopted by the World Food Summit into time-bound goals. Activities should also be undertaken by the Joint Secretariat for the implementation and monitoring of these goals as well as for mobilizing resources.

(b) The African Energy Commission

17. The ECA representative reported on the contacts that ECA had made with the World Energy Council to which projects on African energy transition had been presented. These capacity-building projects were in line with the work towards the establishment of the Energy Commission. He urged the Joint Secretariat to ensure proper follow-up with the World Energy Council on the establishment of the African Energy Commission.

18. The ADB representative briefed the meeting on the objectives and strategies of the Bank's African energy programme, adding that Phases I and II of the study would be completed at the end of 1996 in order for project identification to commence in Phase III in 1997. He then underscored the need for coordinated contacts with international organisations and suggested the need for synergy at the level of the Joint Secretariat. The ECA representative also informed the meeting of the work carried out by the Commission in this regard.

19. The meeting underlined that the African Energy Commission was being created as a framework to facilitate the setting up of concrete programmes for the development of the energy sector in Africa, and recommended that there was need for closer coordination and regular meetings among the three institutions in order to review the work done and agree on the approach to external institutions.

(c) UNTACDA II AND IDDA II

20. The meeting recognized the usefulness of UNTACDA II in that it provided a framework for harmonizing the protocols on transport and communications in Africa, including those of the RECs. The ADB informed the meeting that it had already financed forty-seven projects on transport and communications for an amount of US \$1.1 billion. The Joint Secretariat realised the need to work very closely and rationalize their efforts. Among the problems highlighted in the implementation of the programme are the following:

- UNTACDA II mechanism is too heavy and uncontrollable because of its sub-sector working groups, sub-regional working groups, national coordinating committees and others.

- African countries did not accord sufficient priority to the programme (e.g. no support to national coordinating committees; listing of non-priority projects; changing priorities, etc..).
- non-inclusion of transport and communications sector in the United Nations System-Wide Special Initiative.

21. The meeting recommended that the Joint Secretariat increase support to the Advisory Committee on Programme Promotion (formerly RMC) so as to enable it revive the implementation of UNTACDA II. It also recommended that appeals be made to Africa's development partners for support to strengthen the UNTACDA mechanism; that contacts which had been initiated by OAU with financial institutions outside Africa, such as the OPEC Fund, be pursued further by the Joint Secretariat under the leadership of the OAU and that the RECs should continue to play a steering role in the implementation of UNTACDA II with the active support from the Joint Secretariat.

22. The meeting noted the approaches and major joint activities of the IDDA Joint Committee and felt that IDDA II was more successful than IDDA I, because it benefited from more resources and unlike IDDA I which was government based, IDDA II was based on the involvement of the private sector. The meeting appreciated the positive effect on IDDA II of various investment promotion meetings and private sector fora. In this connection, it expressed its appreciation to the Government of Mauritius for accepting to host a Forum on "Promotion of Financial Integration and Financial Market Development in Africa" which is to be organized by the OAU/AEC Secretariat in 1997. The ECA representative reminded the meeting of the First Regional Conference on "Reviving Private Investment" in Africa, which will be held in Accra, Ghana from 24 to 27 June, 1996 and during which the African Capital Market Forum (ACMF) will be launched. He urged the OAU Secretariat to fully involve the ACMF in the proposed Mauritius meeting on the integration of financial systems.

23. The meeting noted the need for actions and measures to be initiated for strengthening capital markets so as to facilitate the success of investment fora and investment in general.

24. The ADB representative, in reply to a specific question, explained the difficulty of the Bank to finance industrial projects from its ADF window which was available for 39 members ineligibile for lending from the ADB window. In calling for a revision of the IDDA II programme, he suggested that account be taken of such new initiatives as the UN System-Wide Special Initiative on Africa, and the need to support the promotion and participation of the private sector.

25. The meeting recommended that the Joint Secretariat should continue to work closely with UNIDO to prepare for the mid-term evaluation of IDDA II and guide its future orientation. It also requested the Joint Secretariat to support the RECs in

organizing investment and capital market fora and conferences and to make use of the capacities of African institutions related to industry.

(d) Sustainable Development and Environment

26. The meeting noted that all three institutions were involved in different aspects of environment: the ECA was concentrating on the environmental aspects of sustainable development and the ADB was involved in activities and projects related to combating the desertification process. In this connection, the ADB informed the meeting that, upon the request of the African Deserts and Arid lands Committee (ADALCO) under the African Ministerial Conference on Environment (AMCEN), the Bank was considering to host the Regional Coordination Unit (RCU). In addition, he pointed out that the Bank had created a particular unit for Environment and Sustainable Development under its new structure. The ECA delegation informed the meeting on the solution reached in harmonizing AMCEN and CAMSDE and ECA's participation in the UN ~~programme on environment~~ *Commission on Sustainable Development*.

27. The meeting recommended that the Chief Executives support the joint OAU/ECA/ADB programme of Participatory Management of African Agriculture and Environment at the village level and endorse all programmes related to environment according to relevant provisions of the Treaty concerning environment. It also decided that the Joint Secretariat should start some studies on Trade and Environment.

(e) Commodity Diversification Fund (CDF) and the African Development Fund (ADF)

28. The meeting was informed that the ADF had been replenished to US \$ 2,6 billion while the CDF was still pending. It was noted that the US \$ 50 million of the CDF was meant to assist Member States to carry out technical studies on diversification. The ADB was requested to inform the meeting if the replenishment of ADF VII included a special contribution to finance the preparatory phase of commodity diversification projects. In this regard, the ADB representative informed the meeting that ADF VII did not have a separate fund for commodity diversification and suggested that it would be more productive to focus on resource mobilization for economic diversification in general than specifically for the Commodity Diversification Fund.

29. The meeting agreed on the need for diversification of African economies and on increased effort at resource mobilization to that end. It expressed its concern that Member States were not participating in meetings for the Common Fund on Commodities.

(f) Beijing International Conference on Women

30. The Joint Secretariat commended itself for its joint activities in preparing for the Beijing Conference and stressed the need to work together for the implementation of the Platform of Action. To the various problems raised about difficulties of communication among the three institutions, the meeting recommended the setting up of a mechanism for coordination of activities within the Joint Secretariat in cooperation with the RECs and to encourage the Joint Secretariat to go beyond the circle of international conferences and target at concrete programmes.

31. The meeting agreed on:

- i) The need for the three institutions and the RECs to keep gender issues high on their agenda.
- ii) The need for the three organisations to develop joint programmes for the implementation of the Regional and Global Platform for Action and develop concrete projects for funding by the ADB and other sources.
- iii) The need to establish a mechanism for the coordination of activities within the Joint Secretariat.

(g) Africa's External Debt

32. The meeting noted with concern the persistence of Africa's external debt problem and expressed frustration over the failure of the Contact Group to meet and the Kampala Seminar to take off. It also noted that both bilateral and multilateral initiatives had not proved adequate either in terms of debt reduction or debt sustainability. In this regard, the meeting emphasized:

- i) that political action be solicited at the level of the G7 Summit in Lyon, France, in June 1996 and a draft statement to that effect be prepared by the Joint Secretariat for the consideration of the OAU Current Chairman.
- ii) the need for Africa to continue to voice its serious concern on the situation;
- iii) that all initiatives be analysed, particularly those on multilateral debt;
- iv) that African countries be urged to settle their arrears as a priority to ADB.

- v) that importance be attached to developing Africa's capacity for debt management and negotiation; and
- vi) a meeting of the Joint Secretariat with ACMS should be convened to reflect on the subject.

Agenda Item No. 5: Implementation of the Cairo Agenda for Action

33. The meeting observed that one year after its adoption, the implementation of the Cairo Agenda for Action had not started although it had gained popularity and was even served as the basis of the UN System-Wide Special Initiative on Africa. It decided therefore that there was a need to operationalize the Agenda by assisting Member States to identify programmes at national and regional levels and to mobilize resources for their implementation. In so doing, some countries could be selected as pilot cases. In addition, in preparing their Country Strategy Notes, African countries should not lose sight of the priorities of the Cairo Agenda. It was also recommended to revisit the follow-up mechanism and devise appropriate means to monitor by cluster issue.

34. The representative of COMESA informed the meeting that the Cairo Agenda was consistent with many of their programmes and requested that when revisiting the follow-up mechanism, the Joint Secretariat could recommend appropriate ways in which the RECs would implement the Agenda.

35. In his conclusion, the Chairman informed the meeting that the Secretariat would continue to monitor the activities of Member States and that a questionnaire was being prepared for circulation to all Member States on the matter. A report should be submitted to the Council of Ministers on all the issues raised.

Agenda Item No. 6: Future Joint Activities of the Joint Secretariat and the RECs

36. The meeting agreed fully that a clear identification of issues, activities and allocation of duties needed to be carried out for the implementation of the Treaty. It was also recognized that the work programme of the Joint Secretariat would emanate from the work programme of ECOSOC. The approach agreed upon was to take into account the activities of each institution, the provisions of the Treaty especially the Protocol on the Relationship between the AEC and the RECs, and the capacity and priorities of the RECs. To that end, means should be devised for the three organisations to complement each other within a definite timeframe in the implementation of the Treaty under the coordination of the OAU/AEC Secretariat. It was decided to concentrate on activities relating to the implementation of the first stage of the Treaty and on preparations for the second stage.

37. The ECA emphasized the need for networking for the proper implementation of the Treaty and submitted proposals for the allocation of specific activities and responsibilities to lead and support agencies.

38. In his summing up, the Chairman stated that there was a need for a longer-term perspective of the work programme of the Joint Secretariat, taking into account the submission of the ECA which will be examined by the Joint Secretariat in one of its future meetings.

39. The meeting then amended the document AEC/ECOSOC.5(1) by prioritizing the activities and assigning responsibilities as follows:

(See Annex 1)

40. The meeting made a special appeal to the RECs to ensure that the draft Protocol on the Relationship between the AEC and the RECs was placed on the agenda of the next meeting of their governing bodies for approval. It also agreed to recommend that ECOSOC should take a special decision along the same line.

Agenda Item 7: Preparation of the draft Joint Statement of the Chief Executives of OAU, ECA and ADB with the RECs

41. A working group made up of one member of each institution was set up to draft the joint statement of the Chief Executives of the OAU, ECA, and ADB with the RECs for consideration by the meeting and subsequent submission to the Chief Executives.

VI. ANY OTHER BUSINESS

42. Six issues were raised under this item, as follows:

- (a) ACBF/EDI workshop on Capacity Needs Assessment for Policy Analysis - It was agreed that full information be collected and circulated to all concerned, including ECA, ADB and all the RECs. The information should include data, subjects, venue and arrangements.
- (b) Multilateral Investment Agreement - In order that Africa is fully prepared to participate in the above issue, an African draft agreement should be envisaged. The meeting agreed that more information be obtained by the OAU/AEC Secretariat from the African Group in Geneva and made available to the ADB and the ECA.

- (c) Joint missions to RECs - The meeting agreed on the need for good preparations, a clear identification of issues to be discussed and early information to the RECs. The meeting also agreed that all the RECs should make their programmes available to each other and to the OAU, ECA and ADB, and invite them to the meeting organised by each other.
- (d) Protocols of the AEC Treaty - On the call for the involvement of the RECs in the elaboration of draft AEC Protocols, it was explained that after a careful reflection, a new strategy for the preparation of draft AEC protocols was being considered. This would be based on a review and assessment of the process of implementation of the Protocols of the RECs, including the problems and obstacles facing their implementation. In this exercise, priority would be given to strengthening the RECs' capacity to implement their protocols as well as harmonize the Protocols of all the RECs. The RECs would be fully involved in this exercise.
- (e) The Situation of ECCAS - On the call by ECA for a special mission by the Chief Executives of the OAU, ECA and ADB to ECCAS Member States, the Chairman briefed the meeting on the plan to raise the ECCAS situation during the Summit meeting in Yaounde.
- (f) Strengthening of Sectoral Technical Institutions - Suggestions were made for measures to revive and reactivate the existing sectoral technical institutions such as ARCT, ARCEDEM, etc., including the harmonization, coordination of their programmes and their rationalization. It was agreed that the matter should be taken up within the context of strengthening the RECs and IGOs.

VII. DATE AND VENUE OF NEXT MEETING

43. The meeting decided to hold its second meeting in 1996 in Addis Ababa at a date to be agreed later on.

VIII. ADOPTION OF THE REPORT AND CLOSURE

44. The meeting adopted its report.

ANNEX I**(INDICATIVE)**

Activities	Duration	Lead and collaborating Institutions
1) Review and Adoption of a new OAU/AEC Organisational Structure.	June 1996-1997	OAU/AEC Secretariat
2) Elaboration and Adoption of a Programme Budget for the AEC.	June 1996-1997	OAU/AEC Secretariat
3) Approval of the AEC/RECs Protocol and Alignment of their statutes and basic instruments to AEC Treaty.	June 1996-1998	RECs
4) Assessment of the Needs of the RECs.	June 1997-1999	i) RECs. ii) Committee of Officials.
5) Review of the Institutional Framework for regional integration for North Africa.	June 1996-1998	Secretariat + ECA N.A. (MULPOC)
6) Common Guidelines on Preparation and Review of Protocols.	June 1996-1998	- OAU/AEC Secretariat, RECs - Committee of Officials
7) Financial Resource Mobilization.	June 1996-1999	- ADB, ECA, OAU/AEC Secretariat - Committee of Officials
8) Free Movement of Persons (within the RECs).	June 1996-1999	- OAU/AEC Secretariat, ECA Committee of Officials.
9) Review of Intergovernmental Machinery (and AEC Technical Committees).	June 1997-1999	- OAU/AEC Secretariat - ECA - Committee of Sect.Officials.

10) Monitoring the process of rationalization of RECs and IGO's (Committee on Integration).	June 1997-1999	i) ECA ii) Secretariat (OAU/AEC) iii) RECs
11) Coordination and Harmonization of the Programmes/Activities of RECs - review of existing protocols.	June 1996-1999	- OAU/AEC Secretariat, ECA Committee of Officials.
12) Issues of Uniformity in standards and systems, nomenclature etc.	June 1997-2000	- OAU/AEC Secretariat, ECA - Committee of Sect. Officials
13) Studies on Tariff and Non-Tariff Reduction/Elimination.	1996-1998	- OAU/AEC Secretariat, ECA - Committee of Sect. Officials
14) Impact of WTO.	1996-1998	- OAU/AEC Secretariat, ECA - Committee of Officials.
15) (a) Popular participation in the implementation of the Treaty + Treaties. (b) The pan African Parliament.	1997-2000	- OAU/AEC Secretariat - Committee of Officials - RECs