



THE AFRICAN CAPACITY
BUILDING FOUNDATION

FONDATION POUR LE RENFORCEMENT
DES CAPACITES EN AFRIQUE

FRAMEWORK FOR A COMMON AFRICAN POSITION

**EMMANATING FROM THE ADDIS VALIDATION WORKSHOP ON REGIONAL
POSITION PAPERS ON US-AFRICA RELATIONS**

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1. Background and justification

Recognized as the fastest growing region in the world with enormous natural resource potential, Africa offers vast opportunities in terms of new technologies, investments, access to potential markets, and new types of consumers. This explains the growing interest of countries such as China, India, Malaysia, Turkey, Brazil, etc. which have recently increased their presence and investments in the continent. The U.S has been relatively slower to react to the potentialities and new developments happening in Africa. However, recently, there has been a change in the dynamics: Africa now plays an increasingly significant role in supplying energy, preventing the spread of terrorism, etc. and is recognized as a strategic partner. The Africa Growth Opportunity Act (AGOA) and the various bilateral investment treaties (BIT) are a witness of the growing interest and willingness to partner with Africa.

More recently, the 2012 Presidential Policy Directive for sub-Saharan Africa under the Obama administration, and the 2009 and 2013 visits by Barack Obama to Africa are an expression of the importance and interest the U.S. places on Africa and its willingness to partner with the continent. In order to crystalize the vision, enhance the US-Africa relationships and further strengthen ties with one of the world's most dynamic and fast-growing regions, the White House has invited the African Union Chairperson and 50 Heads of State and Government from Africa to the first ever historical US-Africa Summit on August 4-6, 2014.

The US-Africa Leaders' Summit will offer Africa's leadership an opportunity to engage with President Obama, his Cabinet, and other key leaders, including business executives from across the U.S., members of Congress, and members of civil society. For a beneficial, effective and well-thought engagement, African leaders need to have up-to-date information and sound knowledge on the state of the relationship, the priority areas that need special attention and the way forward for mutually beneficial US-Africa relations.

It is in recognition of the strategic importance of the Summit and the potentialities offered by a mutually beneficial US-Africa relation that the African Capacity Building Foundation collaborated with six of its supported think tanks to draft position papers on US-Africa relations. The main rationale for the position papers was to interrogate US-Africa relations from a regional perspective in order to provide a nuanced analysis of the state, evolution, challenges, opportunities and possibilities of US-Africa relations in Francophone West Africa; Anglophone West Africa; East Africa and the Horn; Southern Africa; North Africa; and Central Africa.

The drafting of the position papers was followed by a Validation Workshop which aimed at not only offering stakeholders an opportunity to critique the position papers, but also served as a platform to dialogue on US-Africa relations. More importantly, the Workshop brought together think tanks, government officials, development partners, researchers, policy and decision makers, representatives of African Union Commission, Regional economic communities, and renowned experts who provided recommendations on the policy directions and strategic areas for cooperation in order to efficiently and beneficially cooperate with the US. Participants at the Workshop strongly and unanimously advised African leaders to speak and discuss in unison and ended the meeting by proposing a framework for a Common African Position in preparation of the Summit.

The present note is an outcome of the consultations organized by the ACBF on July 18-19 2014 in advance of the US-Africa Leaders' Summit. It describes the proposed guiding principles, the continental agenda within which the common position can be confined, and the proposed framework for the common position.

2. Principles and continental framework guiding the US-Africa relations

2.1. Guiding principles

For an effective and mutually beneficial US-Africa relationship, participants advised that the partnership between the two regions be based on selected guiding principles. The following four (04) key principles being highlighted:

- Fairness;
- Win-win;
- Reciprocity; and
- Accountability

2.2. Agenda 2063: continental framework

The framework for a common African position for mutually beneficial US-Africa relations, though developed separately, is in line with Africa's development agenda, namely Agenda 2063 which aims to advance Africa's growth and development trajectory for the next 50 years through lessons learnt. The consolidated recommendations drawn from the regional position papers are in line with the key drivers of the continental program which in turn is linked to the aspirations of the Africa populace.

For Agenda 2063 to succeed, Africa needs to take charge of its global narrative and brand, to ensure that it reflects continental realities, aspirations, priorities and Africa's position in the world. Defined as the factors that directly or indirectly contribute to or enhance transformative change, the key drivers of Agenda 2063 are:

- (1) leadership and political commitment;
- (2) youth and women engagement and involvement;
- (3) Africa's resources;
- (4) infrastructure and interconnectedness;
- (5) science, technology and innovation;
- (6) effective private and public sector development;
- (7) citizen participation; and
- (8) active engagement with the African Diaspora.

The key drivers are the catalysts for change and aim at fulfilling the aspirations of Africans. The common aspirations expressed by the populations as to the future they want are as follows: (1) a prosperous Africa based on inclusive growth and sustainable development; (2) an integrated continent, politically united, based on the ideals of Pan-Africanism; (3) an Africa of good governance, respect for human rights, justice and the rule of law; (4) a peaceful and secure Africa; (5) an Africa with a strong cultural identity, values and ethics; (6) an Africa whose development is people-driven, especially relying on the potential offered by its youth and women; and (7) Africa as a strong, resilient and influential global player and partner.

The aspirations of African populations are well captured in Agenda 2063 which can be achieved through the key drivers which, in turn, are in line with the key pillars of the recommendations for the framework of the common position for a mutually beneficial US-Africa relation (articulated below). Figure 1 describes and highlights the harmony between the African aspirations, the key drivers of Agenda 2063 and the key areas of the consolidated framework for a common African position.

3. Common position for the upcoming US-Africa Leaders' Summit

The priorities of Africa for partnership with the United States are grouped into six pillars namely, (1) peace and security; (2) democratic and participatory governance; (3) strengthening capacity of institutions; (4) human capital development; (5) trade expansion; and (6) strategic investment partnership.

Pillar 1. Peace and security

Issue: Peace and security, the prerequisite condition for any sustainable and inclusive economic growth and development, is still a challenge for many countries in Africa. Armed conflict, maritime piracy, terrorism, transnational criminal networks, territorial disputes, cattle rustling and organized crime are among the security challenges facing many African countries. Trans-border terrorism has also recently appeared as a serious threat on the continent; with many countries on the continent still vulnerable to terrorist attacks.

Example of initiative: Among the initiatives undertaken by African countries to deal with the security challenges, the African Peace and Security Architecture (APSA) remains of great importance. APSA was established by the African Union in collaboration with the Regional Economic Communities. Its role is to deal with prevention, management and resolution of conflicts in Africa. Its core organ is the African Union Peace and Security Council.

A partnership with the US through Africa's existing initiatives such as APSA is recommended as it will help to avoid reinventing the wheel and wasting efforts and resources in creating new structures, building or strengthening the institutional and individual capacities related to peace and security, ensuring ownership by Africans, and promoting accountability. Working with governments and regional bodies to eliminate the structural root causes of conflict can also help to ensure peace and security in Africa.

Pillar 2. Democratic and participatory governance

Issue: Democracy, human rights, and good governance are critical pillars for sustainable economic development. Though African countries have made progresses in terms of political and economic governance and human rights, it is to be noted that there are still challenges – mainly the dearth of capacity in governance institutions (human, material and institutional). These capacity gaps create disconnects between the legal formal provisions, its implementation and execution.

Example of initiative: African countries have created the African Governance Architecture (AGA) to engage and develop appropriate responses and enhanced capacity to Africa's governance challenges. AGA is the overall political and institutional framework for the promotion of democracy, good governance and human rights in Africa by enhancing interaction and synergies between African Union organs/institutions.

US-Africa partnership in the area of governance, and namely via well-established initiatives such as the African Governance Architecture should be more responsive, democratic and inclusive by strengthening the voice and participation of all Africans. It is recommended to increase support for democracy and good governance, especially dispersing power from strong executives and enhance the support for strengthening regional and continental governance institutions.

Pillar 3. Strengthening capacity of institutions

Issue: Weak institutional capacity is recognized as a major obstacle to long term economic growth and consequently sustainable economic development. In Africa, institutional capacity development is still a pressing issue and affects regional institutions and countries regardless of

their status (federal, local governments; post-conflict, fragile countries, etc.), including the public sector, the private sectors and the civil society organizations.

Example of initiative: Initiatives such as the NEPAD Capacity Development Initiative can be used to strengthen the capacities of institutions at the continental and regional levels. Its aim is to advance Africa's development through engaged and empowered citizens at individual, institutional and societal levels. The NEPAD program on capacity development seeks to build/strengthen the capacities of continental institutions, working with the African Capacity Building Foundation, UNECA, the African Development Bank, and other development partners.

Partnerships with, and eventually the financial and technical support received from, the US should focus on institutions of all types and at all levels that enhance the capacities of African countries to implement sound macroeconomic and social sector policies; implement and oversee the poverty reduction strategy process; better utilize foreign aid and investments; strengthen the private sector and civil society; manage labor, employment, natural resources and insecurity issues; and respond to international efforts to better manage global public goods. The African Capacity Building Foundation, UNECA, and the African Development Bank should serve as main institutions driving the partnership at the continental level.

Pillar 4. Human capital development

Issue: Human capital development is an engine of economic growth and sustained economic development and transformation. Today, Africa's urgent priority is to reduce poverty through strong and sustained economic growth that benefits the poor, and advances social services. However, it is to be noted that the continent, despite being recognized as the fastest-growing region over the last two decades, is yet to succeed in fulfilling its priority goal, mainly because of the low levels of human capital. Achieving human capital development is both critical and urgent for Africa's development agenda.

Example of initiative: African countries have well understood the positive, long lasting and significant impacts of human capital on the political and socio-economic development of the continent. Thus, they have undertaken various initiatives, such as the NEPAD Human Capital Development Initiative, and the signature of Protocols on Human Resources, Social Affairs, Health and Population (Chapter XIII of the Treaty establishing the African Economic Community) to ensure the availability and development of quality human capital. The main objectives of NEPAD's human development initiatives are to enhance access and overcome human resource shortages in the health, education and science and technology sectors; promote relevant frameworks and reports, survey results to guide country and regional development strategies; and encourage partnerships to establish and strengthen regional networks of knowledge.

Partnering with the US, besides being conducted via existing and pertinent initiatives such as the NEPAD Human Capital Development Initiative, should pay attention to the leadership capacity development, values, technical education and training, the retention of indigenous human resources giving priorities to youth and women, the transfer of technology and use of ICT, the health sector, and social protection. Recommendation is also for the African Capacity Building Foundation to be an important institution when it comes to the design and implementation of the partnership programs, namely in the creation of innovation and incubation centers, and the development of capacity building projects/programs dedicated to parliamentarians and civil society organizations.

Pillar 5. Trade expansion

Issue: Trade expansion and the broadening of Africa's exports base offers huge economic growth potentials to countries and their partners. However, the majority of African countries have not fully benefited from the trade with the US mainly because, besides the fact that the exports are less diversified and highly dependent on raw materials and simple processed products, the US trades more with mineral rich countries.

Example of initiative: African countries have through the African Development Bank established the Africa Trade Fund (AfTra) recognized as one of the largest trade-related technical assistance financing facilities on the continent and aimed at boosting trade and trade-related activities in Africa. AfTra was set up in response to Africa's need for greater integration into regional and global trading systems, involving actions at the enterprise, country and regional levels. Other important initiatives involving many African countries are AGOA, and Trade Africa.

The partnerships between Africa and the US in the area of trade should aim to expand trade with investments into potential export sectors such as manufacturing, services, tourism, textile, and agriculture to broaden the export base and industrial sector. There is a potential for export expansion in African countries which can also boost regional export performance among regional economic communities with the US as a potential market. The partnership should also target trade facilitation and capacity development partnerships, the extension and revision of AGOA, and the promotion of regional integration. Besides, the partnership should seek to help Africa improve its productive capacities, move up the value chain and become less dependent on production and export of raw materials and simple processed products.

Pillar 6. Strategic investment partnership

Issue: Investment inflows into Africa from the US remain limited compared to other regions such as China and the European Union. Strategic investment partnerships are necessary and of great importance for Africa to tap into the potentialities offered by the US in many strategic areas such as infrastructure which is critical for a real and sustainable economic emergence of the continent. Besides, such partnerships can also lead to lower the costs of doing business which are still relatively high in Africa.

Example of initiative: African countries have established a continental initiative, Program for Infrastructure Development in Africa (PIDA) aimed at addressing the infrastructure gap faced by the continent. PIDA is a framework strategy for infrastructure development at the regional and continental level covering all the four key sectors of transport, energy, trans-boundary water, and ICT.

Recommendation is for investment partnerships particularly in major sectors to stimulate further industrial development. This is important for sectors which constrain Africa's development process where major investments are required. The strategic partnerships between the US and Africa should therefore be specifically focused on infrastructure development, water, sustainable energy generation and power supply. Specific partnerships should focus on ICT development, availability and access. PIDA is therefore a pertinent framework for strategic investment partnership.

4. Conclusion

The growth slowdown in the global economy, including in the US, raises some implications for how the US should see Africa and the prospects for an Africa-US cooperation that is beneficial to

the world in general and the US in particular in the medium to long term. African countries believe the US should see Africa's economic development as an important tool in its quest to reignite economic growth and create jobs. African countries, therefore, believe both Africa and the US should see Africa as part of the solution to the global economic crisis and invest in the continent for mutual benefit. Indeed, the emerging consensus is that the world needs a new driver of consumer demand, a new market and a new dynamo, which can be Africa.

It is in order to crystalize the above vision and opportunities that the African Capacity Building Foundation convened a dialogue forum on 18-19 June 2014 in preparation toward the upcoming US-Africa Leaders' Summit. The forum recommended that African leaders speak with one voice in order to ensure that Africa's position is heard and fully/seriously taken into consideration by the US authorities. The forum's resolution recognizes peace and security; governance; institutional capacity; human capital; strategic investment; and trade as the most strategic and relevant areas for partnership.

ACBF will ensure that the recommendations as described above will serve as guideline to the African leaders in their engagement with the US. The initiative of having a consultation and the recommendations arising from it mirror the importance ACBF places on the exchange of ideas and experience and more importantly on the necessity to take policy decisions based on consultations and prior empirical investigation.

Figure 1. Common African position and Agenda 2063

