

The New Partnership for Africa's Development (NEPAD) in the Context of Responsiveness and Accountability

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Abstract

This paper discusses the New Partnership for Africa's Development (NEPAD) in the context of responsiveness and accountability. By way of introduction the author gives a brief historical overview and emphasises the fundamental contradiction between Africa's insistence on ownership and the expectation that NEPAD be financed largely by additional ODA and enhanced FDI flows. She devotes the bulk of the paper to discussing the Peer Review Mechanism (PRM) that features prominently as the principal means by which governments can be held accountable for their poverty-reduction initiatives as well as their actions generally. The paper enumerates the vagueness and weaknesses of the PRM and points to the difficulty of turning it into a truly independent mechanism, free of corruption and collusion with the powers that be. The author questions the sincerity and genuine political will on the part of African governments to subject themselves to independent scrutiny by outside peers. Exemplified by the recent crisis in Zimbabwe she highlights the reluctance of African leaders to bring errant colleagues to account; a misguided notion of solidarity seems to provide a convenient excuse. The author has greater faith in civil society organisations and suggests 'shadow reporting' by as an alternative vehicle for monitoring progress by governments and for bringing them to account when defaulting. The donors are envisaged as partners with civil society in this regard.

Introduction

Africa's underdevelopment has always been a contentious issue within the discourse on politics and economics. In the past four decades there have been many steps to escape this quagmire:

- The Emergence of the post-colonial development state of the 1960s;
- The collective self-reliance, de-linking and import-substitution phase of the 1970s; and
- The structural adjustment programme and export-led growth phase of the 1980s;

Each of them has had limited success, but none has been able to reverse Africa's underdevelopment.² The latest model to be added to the list is the New Partnership for

¹ The SARPN is based in the Human Sciences Research Council (HSRC) of South Africa. The views expressed are the author's and do not necessarily reflect those of her institution. Do not cite from the paper without the author's permission.

² The United Nations advanced two programmes to address this situation: the United Nations Programme of Action for African Economic Recovery and Development (UNPAAERD) in the 1980s, which was later superseded by the United Nations New Agenda for the Development of Africa (UN-NADAF) in the 1990s.

Africa's Development (NEPAD), which has been hailed as the appropriate model to combat Africa's depressed economic state and lift its citizenry out of their poverty-stricken existence. But just like its predecessors, NEPAD has been criticised for its unrealistic assessment of power relations within the global economy and its lack of capacity to redress this problem.³

Even though NEPAD may be criticised for being overly ambitious, it would be unwise to dismiss it out of hand. NEPAD is potentially a powerful instrument for promoting democracy, good governance, human rights, stability and economic development across Africa. Realising this potential, however, will require responsive governments committed to upholding global standards of democracy and good governance, on the one hand, and strengthening the relationship of accountability between themselves and Africa's citizenry, on the other. The simultaneous application of these two concepts would lead to improved governance within African states, institutionalise a rights-based approach to policy making, improvements in service delivery and increased investment in domestic infrastructure. It is on this basis that NEPAD departs from the other development models.

What sets NEPAD apart from similar endeavours previously is the fact that it contains a Peer Review Mechanism (PRM) whereby member states can volunteer to a process of effective and efficient monitoring of their economic and political performance vis-à-vis the needs of their citizenry. More importantly, it puts into place a code of conduct that member states are prepared to abide by and which the donor community and civil society actors can utilise to assess whether NEPAD partners are honouring their responsibility to their people. The PRM is a crucial feature of NEPAD since it could become one of the ways in which the mechanisms of accountability between African governments and their citizens, on the one hand, and donors, on the other, might be strengthened. But the real question is: how and to what extent can the PRM ensure compliance by the member states to the effect that they become responsive and accountable to the needs of the poor and economically marginalised?

From an African perspective there is also a growing concern that while African governments may be willing to commit to the PRM process, how do we measure, by the same token, whether donors are keeping to the standards of good governance and accountability in their aid and investment policies. In other words, are the donors channelling money into sustainable projects for poverty reduction. Such fears are not without substance. They are rooted in past experiences where aid has been used to gain

In June 2002 an independent evaluation of UN-NADAF was carried out to assess the programme as well as to make proposals on the modalities of the UN's future engagement with NEPAD. From the Secretary General's report on the evaluation it is clear that the UN will strategically align itself with NEPAD by ensuring that the many agencies working within the continent co-ordinate their operations with the Partnership's vision and framework.

³ Ebrahim Fakir argues that the criticisms levelled against NEPAD focuses primarily on its perceived capitulation to the global capitalist market, its elite inception, and its large-scale concession to the precepts of the neo-liberal orthodoxy that perpetuates the skewed distributory role that free markets play in allocating public goods and services. See Ebrahim Fakir, e-politics issue briefing, Issue 38: NEPAD, (www.idasa.org.za). For a collective critique of NEPAD see SARPN's website (www.sarpn.org.za).

unfair access to African markets on behalf of multinational corporations, thereby promoting iniquitous trade competition.

Such questions need to be interrogated if NEPAD is to succeed. Therefore, this paper examines in the context of responsiveness and accountability the principal mechanism that NEPAD enshrines towards that end, namely the Peer Review Mechanism. The first part of the paper provides a brief overview of NEPAD and the vision and objectives that underpin it. The second part examines the contents and focus of the PRM and how it is envisaged to operate. Part three investigates how the PRM may best serve the interests of the poor by committing NEPAD signatories to a performance review in terms of their responsiveness and accountability to the concerns of the disaffected communities they represent. It does this by exploring the roles that the donor community and civil society actors (who are important stakeholders) should play in ensuring that this process is carried through. Part four discusses the challenges of operationalisation that may affect the PRM in becoming an effective barometer for addressing the concerns of the poor. Part five analyses where the peer review process is at the moment. Finally, the paper will conclude by reflecting on key issues that may influence and strengthen the PRM and possibly turn it into an effective monitoring and evaluation tool for assessing poverty reduction.

Brief historical overview of NEPAD

NEPAD's history can be traced to three parallel initiatives. In 2000 the G-8 extended an invitation to Presidents Mbeki (South Africa), Obasanjo (Nigeria) and Bouteflika (Algeria) to attend the Group's annual meeting hosted by Japan in July of the same year.⁴ The three leaders were, at the time, chairpersons of the three largest intergovernmental groups representing the developing world: the Non-Alignment Movement (NAM), the G-77 and the OAU, respectively. The OAU used the invitation to request the three leaders to draft a development plan for the continent. This request led to the establishment of a Steering Committee after the UN Millennium Summit in September 2000, tasked to formulate the plan. The plan, which became known as the Millennium Africa Recovery Plan (MAP), was unveiled by President Mbeki at the World Economic Forum in Davos in January 2001.

At the same time, another draft plan was being formulated on the African continent. Known as the Omega Plan, this plan was crafted by Senegal president, Abdoulaye Wade, and presented to the Francophone Summit in Cameroon in January 2001.

The third initiative was the Compact for African Recovery initiated by the executive secretary of the UN Economic Commission for Africa, K.Y. Amoako, in response to a mandate provided by African ministers of finance in late 2000.⁵ The ECA Compact was

⁴ Alex de Waal offers a concise analysis on the history of NEPAD. Alex de Waal: 'What's New in the "New Partnership for Africa's Development"?' in *International Affairs*, 78, 3 (2002), pp. 463-475.

⁵ *Ibid.*, p.466

based on ideas of enhanced partnership, mutual accountability towards development outcomes and peer review.⁶

MAP and Omega bore the same vision about redressing Africa's development challenges, but differed in focus and content. MAP was broad-ranging in content and focused on enhanced partnerships as a way of addressing Africa's development challenges. Omega, on the other hand, was more specific in selecting priority sectors: regional infrastructure and education. The ECA Compact was crucial to the implementation of both development plans since it anchored them in a process of transparency and accountability related to development outcomes.

Between January and May 2001, Senegal and Egypt were invited to serve on the MAP steering Committee. In May 2001, a joint conference of Africa's finance and economic planning ministers was held in Algiers and resolved that these three initiatives must be merged into a single document, which was then called the 'New African Initiative' (NAI). In July 2001, the NAI was presented to the OAU Summit in Lusaka, which mandated an implementation committee of 15 Heads of State to manage the process. In October 2001, the implementation committee held its first meeting in Abuja, Nigeria where they renamed the plan NEPAD and established a secretariat in Pretoria.

Concept and vision of NEPAD⁷

NEPAD reflects the compromises involved in arriving at a single initiative. It is framed on the aims and objectives of the Millennium Declaration and the attendant Millennium Development Goals (MDGs). The congruence between the two documents is found in the goal of halving by 2015 the number of people living in poverty. This commitment to global poverty reduction reflects what the architects of the Partnership see as the key issue in Africa's underdevelopment: poverty. Furthermore, it demonstrates that poverty reduction has become the common project through which Africa's development partners are willing to help Africa overcome its development challenges.

Stephen Gelb describes the concept behind NEPAD as:

... an attempt by African leaders to promote collective action by African states within a coherent framework to address the continent's lack of development. It is intended both to respond to global systemic risks originating from Africa, and to establish conditions for the continent's increased integration with global markets ... its essential focus is to overcome the problems of weak and incapable states.⁸

Ebrahim Fakir, on the other hand, contends that NEPAD can be defined:

⁶ UN Economic Commission for Africa: *Compact for Africa Recovery: Operationalising the Millennium Partnership for the African Recovery Programme*, Addis Abba, 20 April 2002 (www.uneca.org).

⁷ See NEPAD's website (www.nepad.org) where a large depot of official documents (including the Omega Plan) and commentaries can be accessed.

⁸ Stephen Gelb (2002): *The New Partnership for Africa's Development (NEPAD): A Brief Overview*, unpublished paper. For more information about the paper see www.the-edge.org.za

... as a developmental paradigm for responding to the pervasive problems of socio-political conflict, economic mismanagement and deepening poverty in Africa. ... that is underpinned by the spirit of ownership and ... allows Africans to be in charge of their own destiny.⁹

The NEPAD framework is based on a three-pronged strategy:

A. Preconditions for development:

1. Peace, security, democracy, and political governance
2. Economic and corporate governance, focusing on public finance management
3. Regional co-operation and integration

B. Priority sectors:

1. Infrastructure and development
2. Information and communications technology
3. Human development and poverty reduction, focussing on health and education
4. Agriculture
5. Promoting diversification of production and exports, focussing on market access for African exports to industrialised countries

C. Mobilising resources:

1. Increased debt relief
2. Encouraging domestic private savings
3. Increased ODA and private investment flows
4. Proper management of public revenue and Expenditure

The above strategy demonstrates two points. First, for development to take place improved governance is needed across Africa in all sectors. Second, the magnitude of NEPAD's ambition requires large sums of money, which African states and their fledgling private sectors do not have. Thus, within this context NEPAD relies heavily on the generosity of its development partners and foreign direct investment. Financing NEPAD definitely requires aid and investment in excess of what is currently being channelled into the continent. Yet, international donors and investors are unlikely to be swayed by mere commitments to improved governance and transparency in the management of public finance.¹⁰ Therefore, the one feasible method by which to make African governments improve their governance and become accountability is the Peer Review Mechanism, which will be discussed in the next section.

The Peer Review Mechanism (PRM)

The PRM is intrinsically linked to good government. But what is good government? Good government within the context of this paper is one that is democratically elected, and with the capacity to respond to the needs of its electorate through effective service

⁹ *op. cit.*

¹⁰ Colm and Allan and Zohra Dawood: *Compliance, Conditionalities and the Role of Independent Monitoring in the Implementation of NEPAD*, unpublished paper. June 2002. Paper can be viewed on the SARP website.

delivery. In short, good government is about putting citizens first by ensuring that their rights and needs are integrated into policy making, which, in turn, is entrenched in a constitutional process.

In Africa, however, the level of institutional and legislative arrangements underpinning such a definition is weak and in some instances absent. This has in many respects given rise to weak and incapable states, whose public sector is characterised by decay and malignant economic practices, leading to deficient service delivery to the poor. Therefore, according to Geld, if development is to take place in Africa "... states must create a political consensus supporting economic growth and poverty reduction, (re) build institutions and establish a stable environment for the economic activity of firms and households".¹¹ An end result, which, he believes, can only be achieved through the collective action of states.

But this collective action has to be guaranteed. This is where the PRM as envisaged in the NEPAD programme becomes the critical difference between the Partnership and earlier attempts to promote collective action in Africa such as the Lagos Plan of Action.

Essentially, the PRM echoes that of the OECD peer review mechanism. The idea is to get African states to move away "... from donor imposed conditionalities, which have been found to be ineffective, inefficient and burdensome towards mutual accountability among development partners desired outcomes (specifically poverty reduction)."¹² The proponents of NEPAD see the PRM as the foundation of this new partnership with Africa's development partners. In this regard, they argue that the PRM will:

- Identify and promote appropriate practices for political and economic governance; and
- Set a standard for review sufficiently high with which donors can replace their own monitoring mechanisms and accept the outcomes of the PRM.

There is a general consensus that member states would volunteer to participate in the PRM arrangement. This means, in practice, that participation in the PRM is based on the intuition of African governments. Even though President Mbeki has assured that the PRM will be conducted under the guidance of an Eminent Persons Group, the mechanisms and code of conduct governing the PRM is yet to be negotiated. But the proponents of NEPAD are confident that submission to the PRM will produce the necessary actions required from Africa's developed country partners to support the principles and objectives of the programme, namely the extra funds needed to execute the three-pronged strategy.

How would the Peer Review Mechanism operate?

The PRM is purely a voluntary instrument to which the member states of NEPAD have acceded. The purpose is to ensure that the policies and practices of participating states

¹¹ *Op cit.*

¹² Alex de Waal, *op cit.*, pp. 471.

conform to the agreed political, economic, and corporate governance values, codes, and standards contained in the Declaration on Democracy, Political, Economic and Corporate Governance adopted at the African Union Summit in July 2002 in South Africa.

It is proposed that the operations of the PRM be directed and managed by a Panel of 5–7 Eminent Persons. The members of the panel must be Africans with distinguished careers in areas related to the work of the PRM. The Panel will exercise the oversight function over the review process, in particular to ensure the integrity of the process. The terms of reference of the Panel will be outlined in a Charter, which will also set out the reporting arrangements to the Heads of State and Government of participating countries. The Charter is seen as a necessary instrument in maintaining the independence, integrity and objectivity of the Panel.

The Panel will be supported by a Secretariat. The Secretariat is envisaged to possess the technical capacity to carry out the analytical work that underpins the peer review process, consonant with the principles of the PRM. The functions of the Secretariat will include: maintaining extensive database information on political and economic developments in all participating countries; preparing background documents for the peer review teams; proposing performance indicators; and tracking performance of individual countries. At this stage it is unclear whether a new Secretariat will be appointed which differs from that currently operating out of South Africa.

There are four types of review:

- A Base Review carried out within eighteen months of a country becoming a member of the PRM;
- A Periodic Review every 2–4 years;
- An early warning review where an imminent political and economic crisis within a member country would be sufficient cause for instituting a review. Such a review can be called by participating Heads of State and Government in a spirit of solidarity with the government concerned;
- A member state can, for its own reasons, request a review outside the framework of periodically mandated reviews.

According to official sources and documentation, the process will be executed in five stages:

Stage one will involve a study of the political, economic, and corporate governance and development environment in the country to be reviewed. The information will be sourced from up-to-date background information prepared by the PRM Secretariat and material provided by national, sub-regional, regional, and international institutions.

Stage two will entail a visit by the Review Team to the country concerned to carry out the widest possible range of consultations and interviews with key stakeholders: government, officials, political parties, parliamentarians and representatives of civil society organisations (including the media, academia, trade unions, and the professional bodies),

and the private sector to gauge their impressions over the level of political, economic and corporate governance in the country.

Stage three is the preparation of the Team' report. The content of the report will be informed by the briefing document from the PRM Secretariat, and the information obtained from in-country agencies (official and unofficial) in Stage two. Once the report is completed it will be discussed with the government of the country under review to ensure the accuracy of the information and to provide the government with an opportunity to react to the substance of the draft report and put forward its own views and measures to be undertaken to address the shortcomings. These responses will be appended to the report. It should be noted that the draft report must be clear on the problems it identifies, especially as they relate to the political will on the part of the government to redress the situation, the availability of resources to take the corrective steps (can the government provide the resources and how much must be drawn from external sources), and how long the process will take.

Stage four is when the Review Team's report is submitted to the participating Heads of State and Government through the PRM Secretariat. Once the Heads of State and Government has considered the report they will adopt the report and make their final decision. This marks the end of this stage.

The fifth and final stage of the peer review process extends six months after the report has been considered by the Heads of State and Government, by which time it should be formally and publicly tabled in key regional and sub-regional structures like the Pan-African Parliament, the African Commission on Human and Peoples' Rights, the envisaged Peace and Security Council and the Economic, Social and Cultural Council (ECOSOCC) of the AU.

Recently, it has been argued that to facilitate and expedite the peer review process, the establishment of national teams will best serve the purpose. In many respects the latter is important as it demonstrates national ownership and allows for more in-depth information to be assembled. Moreover, it is less intrusive and in line with the intention of national purpose, pride and self-help as advocated by the NEPAD principles. It is envisaged that the function of national teams will be mainly to prepare for the review and develop public awareness. But it is up to countries to fashion its own preparation, arrangements and processes and to manage its participation in the PRM in a transparent and participatory way. Composition of national teams is unclear at this stage. Although it has been asserted by certain agencies that through a consultative forum representatives can be nominated to serve on the national teams. Furthermore, the same agencies believe that the teams should be gender-sensitive and, ideally, there should be one male and one female representative from each constituency (e.g. government, trade unions, media, community-based groups, development agencies, etc).

The effectiveness of the peer review relies on accurate information and the non-partisanship of individuals who make up the review team and the national teams. Yet a real possibility exists that the veracity of the process could become undermined whenever

the integrity of team members is questioned or their impartiality is put to the test. At present there are no safeguards to ensure that the so-called 'experts', including the Eminent Persons Panel, could not fall foul to nepotism and collusion with the powers that be. Therefore, if the peer review is to guarantee respected and independent assessments the onus falls upon the Heads of State and Government to ensure that the experts they nominate to the Eminent Persons Panel and those making up the review team and national teams under go a rigorous vetting process. The latter could be akin to that of the procedure adopted when appointing judges to the bench in order to safeguard the integrity and independence of the judiciary.

Finally, the operation of the peer review mechanism, in terms of the above, makes the assumption that governments of countries under review will accept the report of the review team or, as in the case of the early warning reviews, will accept intervention in their domestic political and economic affairs. Such a faith in co-operation is naïve to say the least. Africa is replete with examples where sovereignty has superseded the need for intervention, co-operation, and political will to address the political and economic decay. A glaring example is Zimbabwe where President Mugabe has been tenacious in his resolve to remain in office despite its adverse impact on the country and the region. By the same token, the peer review also assumes that the Heads of State and Government will be vigilant in bring errant leaders to account for their economic and political mismanagement. Again, Zimbabwe demonstrates the spurious and reluctant nature of most African leaders to hold Mugabe accountable and the leniency with which they have approached the Zimbabwean crisis. Therefore, if African leaders want the donors to buy into the peer review process they need to dispense with political expediency and African fraternity and demonstrate that they are unafraid to go after rogue leaders. Such a posture would be valuable in promoting NEPAD.

What does the PRM mean for donors and civil society?

The idea of African governments subjecting themselves to peer review and wider accountability is appealing. One area in which the PRM can be aptly applied is the realm of poverty reduction.

Since the beginning of the 21st century poverty reduction has become the central focus of the UN and Africa's development partners. With more than half of the global population living on less than US\$1 a day, the moral concern has been overwhelming. The incidence and depth of poverty is particularly disconcerting in Africa. Responding to the MDGs the Monterrey Financing for Development Conference (held in March 2002) set targets of poverty reduction through debt relief, additional aid and the backing of sound economic policies.

The alignment of NEPAD to the same goals is found in the PRM. African governments pledging to undergo a process of peer review need to reassure their development partners that they are committed to poverty reduction. The donors must be reasonably satisfied that their African counterparts have not mismanaged funds or directed them into ill-conceived projects that do not reflect the concerns of the poor. Accountability, in this

regard, is going to be difficult to gauge, while instituting policies that respond to the concerns of the poor would prove tricky to monitor. Yet, the very nature of NEPAD and the PRM provides donors with a means that has hitherto to be explored.

It is already established that financing NEPAD requires additional aid. To be exact, the NEPAD document asserts that developed countries should increase their ODA to 0.7 per cent of GDP. At the Monterrey conference in March 2002, the developed countries promised to increase their ODA by US\$12 billion a year, of which more than half will go to African states implementing NEPAD. In addition, the G8's Africa Action Plan pledged to improve the effectiveness of ODA. The question now is: how will Africa's development partners get value for the money they have committed and reassurances that it has been appropriately used for poverty reduction?

The answer lies in the way development partners can maximise and improve political and economic governance through the PRM.

First, the developed partners need to understand that they hold the trump card to NEPAD's success, i.e. money. They can use this opportunity to move NEPAD's signatories towards developing concrete proposals on poverty reduction, in addition to the PRSPs initiated by the IMF and the World Bank for debt reduction. There is a provision within NEPAD that countries have to start initiating poverty reduction policies. Development partners must act on this and demand that such policies be formulated in consultation with civil society actors and the "general public". The involvement of the latter is crucial since it gives the process political legitimacy.

Second, donors must be willing to encourage, support and reward those countries initiating public sector reform, especially in areas like social development, which have a poverty reduction focus. Hopefully this will foster greater interest in the PRM.

Third, donors must insist on constitutional and legislative reform. This is an important avenue for the poor and economically marginalised to express their needs and concerns. Donors cannot rely on free and fair elections as a yardstick for assessing whether African governments are adopting democratic practices. Instead, they must also use the indices of human development as a benchmark to measure progress when implementing poverty-reduction plans. Again, by rewarding those making steady progress the process of poverty reduction can be facilitated.

The above recommendations can only succeed if the correct information underpinned by reliable indicators is communicated to the donors. This is where the role of civil society actors becomes crucial, because their work allows them to interact with the poor and the economically marginalised. They are familiar with the needs, concerns, and every day life of these communities. Moreover, their grassroots involvement in such communities has given civil society actors more or less accurate assessments of whether governments' poverty reduction policies are improving the lives of the poor. Such information is vital for donors to access since it can be cross-checked with official data sourced from the Human Development Report, government reports, and other socio-economic intelligence.

This can help donors to make a qualitative assessment as to whether governments are being responsive to the needs of the poor and accountable to their citizens. Such ‘shadow reporting’ is an important device since it engenders verifiability of the governance indicators, and underpins President Mbeki’s assurance that the PRM will be executed by an independent panel of African experts. To this end, donors and civil society actors must work together. Donors should ensure that civil society actors are given a prominent role within the PRM.

Similarly, shadow reporting by civil society can be used to hold donors to account for their commitments. Civil society partners in the developed countries should use the PRM to evaluate whether their governments have adhered to debt reduction, market access, and fair trade practices to complement the performance of African governments. If NEPAD is about enhanced partnerships between African states and their development partners, demonstrated through the PRM, then the same logic should also extend to Africa’s civil society and their partners in the industrialised world. Shadow reporting is important for exposing whether NEPAD signatories are dragging their feet in channelling ODA into community-based projects where it is needed the most and for unpacking whether donors are still tying additional ODA to conditionalities.

What is ‘shadow reporting’?

Shadow reporting is a new concept that has found currency amongst certain non-profit organisations such as George Soros’ Open Society Foundation.¹³ The rationale underlying shadow reporting is the extraction of detailed, reliable and accurate data to evaluate government performance in terms of governance, accountability, institutional performance and effective financial management. The idea is to generate information independently of national and international agencies. Such information could be utilised by parliamentary oversight committees, civil society organisations, donors and IFIs for the purposes of conducting their own evaluation of NEPAD undertakings. The basis of this type of monitoring is to cover two crucial, interrelated issues: progress on democratic reform and detailed review of public sector performance.

Such monitoring entails the services of experts within the relevant fields. The independence and impartiality of the individuals are critical if the process is to be credible and legitimate. The process should be something akin to independent monitoring institutions to which Allan and Dawood refer but with enhanced partnership with key stakeholders, e.g. donors and strategic civil society actors that can advance the process. At this stage shadow reporting is still a novel idea but if applied appropriately the results could be immensely useful, especially for donors and civil society actors. However, more discussion and fine-tuning of the idea are necessary. Nevertheless it presents an ideal

¹³ See Allan and Dawood, *op cit.* These two authors developed the idea of Independent Monitoring Institutions in response to the issue of improvements in governance and accountability within African states. The rationale was that donors need some substantive evidence that would help them to determine the extent to which African governments have fulfilled their commitments to improved governance and should they qualify for additional ODA and enhanced FDI. The paper can be downloaded from the SARP website.

opportunity for donors to consider when assessing policy making within the context of social development, pro-poor policies and overall poverty-reduction initiatives.

Operational challenges to the PRM

While the PRM has the potential of becoming a barometer for evaluating progress by African states towards improving governance capabilities, accountability to the poor, and transparency in their transactions, in practice, the mechanism is facing serious operational challenges.

First, national sovereignty is challenged. The PRM functions on the basis of collective action which means that African states will have to cede part of their sovereignty for the process to work and be credible and to be taken seriously by citizens and donors. But, are African governments willing to give up part of their statehood and risk being given poor grade on their performance? This is a sensitive point for the proponents of NEPAD. Apart from the Zimbabwean crisis, Namibia seems to be heading down the same path, so too is Malawi, with Kenya also faltering as Daniel arap Moi is orchestrating his succession as the country's new leader.

Second, the PRM requires a national team of experts to be based within states if they are to provide accurate and reliable indicators on governments' poverty reduction performance. However, African states do not have the capacity or the resources to establish national monitoring teams and are grappling with brain drain problems and shortages of skilled professionals. This raises concern about the staffing of these teams by African nationals. Furthermore, once established the teams' methodology and reporting procedures remain unclear. Moreover, will the teams be willing to share the information gathered across the continent to facilitate comparability?

Third, a major stumbling block to the PRM process is the bloated bureaucracy found in many African states. This may impede the channelling of money into community-based projects either because of tardiness on the part of officials to disburse the money or because of corruption practices.

Fourth, high on the agenda are the question of political will and the development of a common set of values that NEPAD signatories are willing to abide by. Africa is governed by a set of complex relations between cliques. The fact that African states will police each other is no guarantee that governments will sideline African brotherhood to hold fellow leaders accountable for sub-standard performance with regard to their political and economic responsibilities. The PRM will find it difficult to take punitive action against defaulting members. The African Ministerial Meeting, hosted by the UNECA in Johannesburg on 16–20 October 2002, decided that punitive action would not be taken against defaulting members as it would give the wrong impression that the peer review was adversarial and not in the spirit of helpfulness. Instead, the Finance Minister of South Africa, Trevor Manuel, felt that peer review should be replaced with peer learning so as to create the "right" impression of encouraging buy-in from other members. This statement demonstrates the trepidation of African leaders to take bold action and assert

their authority against leaders such as Robert Mugabe, Daniel arap Moi, Sam Nujoma and their ilk.

Fifth, the inclusion of civil society actors in the PRM process to fulfil the role of checks and balances assumes that civil society in Africa is robust and has the capacity to do so. Civil society in Africa still remains a fledgling sphere, which is only beginning to play the role of monitoring and evaluating government policies. There is still tendency amongst African leaders and policy makers not to take civil society actors seriously. This attitude was demonstrated in the formulation of NEPAD, which at no point consulted civil society organisations.

Finally, there is a contradiction between insisting on African ownership of the PRM and the Partnership, on the one hand, and expecting that NEPAD be financed largely by additional ODA and enhanced FDI flows, on the other. This contradiction makes it hard to digest that Africans are really charting their own destiny. It is naïve to assume that donors are conveniently giving up their erstwhile conditionalities when providing the resources: money wields power. The question is, therefore, how to reconcile African ownership with donor conditionalities? Perhaps the answer lies in the chief distinguishing feature of NEPAD: a “new partnership” with the North and multilateral organisations.

There are other questions that must also be considered in the operationalisation of the PRM:

- What use is the PRM if it is precluded from taking punitive action against defaulting members?
- How would the PRM distinguish between official ODA at the current level and additional aid?
- How would the PRM incorporate the gender bias of poverty into its framework, given the male dominance of policy making?

What is the current status of the PRM

Recently, there was some uncertainty about the parameters of the PRM, which stemmed from a comment by the South African deputy foreign minister, Aziz Pahad, regarding the terms of reference for the PRM. Pahad asserted that the mandate of the peer review would be confined to economic and corporate governance issues while the monitoring of political governance would be shifted to the AU since it comprised soon-to-be-established bodies like the African parliament, the court of justice, and the political and security council. The uncertainty was fuelled by conflicting reports from the head of the NEPAD Secretariat and Deputy President of SA, Jacob Zuma, to the effect that the focus of the PRM had not changed. The issue was cleared up when President Mbeki confirmed Pahad’s statement and asserted that the AU incorporated the Commission for Peoples’ and Human Rights, indicating that the AU was a more appropriate institution to monitor political governance issues. Mbeki’s statement lent support to what many had suspected would happen to the PRM. The motivation behind this move indicates that political manoeuvrings and stage managing was done behind the scenes to accommodate those

members of the Implementing Committee and other signatories who do not feel comfortable with being put on trial for their political governance performance and human rights record. Moreover, the shifting the goal posts of the PRM suggests that African leaders have regressed on their collective political will and pressure to hold errant leaders accountable. This move reinforces the fears and trepidations of donors and civil society actors about African leaders' reluctance to criticise each other openly. It probably reflects what many leaders secretly had hoped for despite the high moral posturing and declaration they repeatedly made about their commitment to the peer review process.

At another level the rearranging of the peer review holds important implications and sheds new light on how the donors may engage with NEPAD and what it means for civil society actors. First, economic peer review cannot be uniquely African because it is inherently a technical process. With reports published by the World Bank, the IMF, the African Development Bank and the UNECA on the economic performance of African states it is unlikely that a great deal of value can be added. Suffice it to say that it becomes easy to transpose the OECD model on economic and corporate governance to suit the African landscape. Besides, it was the political review that made NEPAD unique since it offered donors an opportunity to see how genuine and committed African leaders were to putting their houses in order. The economic review merely offers compliance to an international standard and code of economic conduct that is already in place and has less of a chance of making any substantive dent on those leaders who have defrauded the ballot box to remain in power.

Second, by separating the political from the economic makes it much harder to carry out a true and independent assessment of benchmarks and indicators of governance. This is so because much of Africa's economic decay stems from political mismanagement of African leaders and their governance practice. A case in point is Zimbabwe. The Zimbabwean situation is not purely an economic crisis related to the slow land reform process. Rather, it is also related to President Mugabe's thirst for power and the fact that he and his cronies have pillaged state coffers during his many years of incumbency. The impact has created an unmanageable economic crisis with political ramifications for the region, including a looming refugee crisis and the rise of informal traders that impels South Africa to tighten its borders. Thus, separating the political and the economic spheres reinforces the perceptions that African leaders are unwilling to take off their kid gloves and confront irresponsible leaders and/or governments head on.

The fact that countries adhering to the NEPAD principles would be given more aid under "enhanced partnerships" by the G8 will probably have to be revisited by the donor community following this peculiar turn of events. Donors were willing to provide additional ODA if African leaders were willing to shape and claim ownership of their politics of reform. But now donors probably have to rethink their posture towards NEPAD. One possible donor intervention might be to consider entering into enhanced partnerships with civil society groups. One suitable vehicle in this regard might be shadow reporting as mentioned above. African governments should not be allowed to get away from a credible political and economic peer just because of African Realpolitik. This has happened too many times in the past. Now the time has come for civil society to

steal the thunder from African governments by capitalising on the space they have been awarded. African civil society groups need to plan their own reviews, supported by the donor community. In many countries throughout southern Africa and beyond non-governmental organisations have begun planning reviews of the political, economic, and social situations in the communities where they are present. In parts of Zimbabwe, independent studies on household income, their implications for food security and so forth, have been conducted by academics.¹⁴ Such studies are important in helping to ascertain what is happening on the ground. This is essentially what shadow reporting is all about. And here is where the donors can also utilise their resources in supporting such projects. In time, this could provide the checks and balances to official peer reviews on economic issues and also help to resolve the current dilemma that practitioners face when choosing indicators (the national or the international indices) that best reflect the political and economic situation of the country. It can also serve to strengthen the credibility of NEPAD and consolidate the legitimacy of the Partnership.

Conclusion

In spite of the teething problems currently experienced around the technical issues of the PRM, the process if properly applied holds the key to unlocking Africa's development potential and to assisting the millions living in abject poverty. Moreover, it must be understood that poverty reduction is not going to deliver Africa's citizenry from poverty overnight. It is going to be a hard and tortuous road, which requires time before significant positive signs are recorded. Therefore, the PRM and NEPAD, still nascent processes, must be encouraged and nurtured by Africa's leaders, civil society actors, and development partners.

Furthermore, the idea of collective action on the part of African governments in addressing poverty reduction can be strengthened if donors and civil society actors alike understand that poverty extends beyond national borders. In Africa today, the provision of public goods must be provided regionally to address problems such as contagious diseases, conflict, and organised crime, which are cross-border phenomena in nature.¹⁵ To this end, cross-border initiatives like rehabilitating infrastructure and strengthening networks can enhance regional resource flows of goods, labour, trade and services and plays a critical role in poverty reduction. The latter must be incorporated into the operations of the PRM where it can be monitored and regulated. This can be achieved by donors contributing additional finance to global public funds like the one on HIV/AIDS, and NEPAD signatories, on the basis of their good performance, participating fully in regional poverty reduction endeavours. Civil society actors who are strategically positioned to determine their impact on the poor must underwrite the assessment of the process.

The success of responsiveness and accountability within the context of NEPAD depends on the political consensus developed amongst African states, the donor community and civil society actors around the parameters of the PRM. Moreover, this consensus has to engender a common value system, political culture, and a common voice. At present this

¹⁴ See SARP website for more the papers.

¹⁵ See SARP Poverty Brief No. 3 for an in depth discussion on global public goods.

seems to be the case with NEPAD signatories, development partners and civil society actors making poverty reduction their central focus. But the situation is bound to become vague when the PRM is put into operation. Here is where the actual day-to-day accountability and transparency needs to be locked in. But given the current posturing around the peer review and the fact that NEPAD signatories have chosen to invoke an escape clause by shifting the political peer review to the AU demonstrates the lack of political will. That is why the work of donor agencies is critical since they can strategically align themselves more closely with their counterparts in Africa to develop a framework of political and economic indicators (shadow reporting), which can complement the work of the PRM and ensure that the process is not hi-jacked by African Realpolitik.