

1.2 The Updating Process

In order to investigate what progress has been made on implementing the NEPAD STAP, visits arranged by AfDB and NEPAD Secretariat by a team of consultants were made to COMESA, CEN-SAD, EAC, ECCAS, ECOWAS, IGAD, SADC and UMA. The visits were used to determine the degree of understanding of and commitment to the STAP by the RECs. The visits also solicited information on the progress of implementation of each project in the STAP, any projects that had been completed or withdrawn or for which financing had been secured and on any new projects that the RECs proposed to add. The RECs were also invited to revisit the question of the priority that they attached to each project. The consultations also sought to understand the constraints that impeded the implementation of the STAP as perceived by the RECs and to identify “fast-track” projects that could move forward rapidly if additional support were forthcoming.

The specific objectives of the visits, as well as the expected outputs of the consultations with the RECs were explained as follows:

- a) to review in detail with the RECs the STAP as it relates to them;
- b) to review key projects, which at the time of the preparation of the STAP could not be included in the programme, that can be included in view of the fact that the STAP is a rolling programme;
- c) for each of the projects/programmes to be coordinated by the RECs, to develop a detailed time-bound implementation schedule;
- d) to identify key capacity gaps that should be addressed to enable the RECs to fulfil their mandates in the coordination of the Implementation of the STAP;
- e) for each prioritised project/programme within each REC, determine gaps (capacity, financing, etc.) that need to be filled to enable the smooth implementation of such a project/programme.

In addition to the above, it was highlighted that another objective of the mission was to understand and document critical sectoral issues within the regions as well as priority infrastructure sectors of focus for each REC.

The visits also permitted an analysis of constraints to implementation, both within and across RECs. Consequently it has been possible to draw useful conclusions and make recommendations based on lessons learnt from one REC that could be applied to others.

2 The STAP Update

The first year of implementation of the STAP has been a learning process for the RECs, for NEPAD and for their development partners. There has therefore been a certain degree of perfectly understandable confusion and misunderstanding regarding roles and responsibilities. Understanding of roles, responsibilities and procedures has evolved at different rates across RECs; this is reflected in different rates of progress in the implementation of the STAP across RECs. Continuing political and

social instability in certain regions has also contributed to slow progress in programme implementation. This factor underlines the importance of stability for regional integration, which can be difficult at the best of times; under conditions of instability, it can become close to impossible.

Nonetheless, the year was productive in two senses: first, progress was made on specific projects; and second, it has proved a rich source of lessons learned, which, if applied consistently, should augur well for the implementation of the STAP in the future.

2.1 Achievements

2.1.1 ECOWAS

2.1.1.1 Institutional progress

The NEPAD programme is built around regional integration, good governance, public-private partnerships and conflict prevention; all these objectives are congruent with ECOWAS' programmes. Equally, ECOWAS programmes are intimately related to NEPAD's Africa-wide programme, because they aim to improve the socio-economic environment through regional integration, good governance and improved public-private partnerships in West Africa. In short, ECOWAS considers that its programmes constitute the expression of the NEPAD objectives in West Africa.

It is within this context that the ECOWAS Heads of State organized a summit in Yamoussoukro (Côte d'Ivoire) in May 2002 on the implementation of NEPAD in West Africa. The Heads of State decided to call a summit specifically dedicated to driving forward the NEPAD agenda in West Africa, thus demonstrating the support that exists for NEPAD in West Africa. At the summit, the Heads of State considered how best to implement the NEPAD agenda in West Africa and decided to:

- designate ECOWAS to coordinate and monitor the implementation of NEPAD programmes and agreed to provide ECOWAS with the appropriate resources;
- create a NEPAD Focal Point within the ECOWAS Executive Secretariat;
- invite each State to create a national NEPAD Focal Point; and
- establish an ad hoc Inter-ministerial Committee to oversee the implementation of the NEPAD programme.

This declaration places the NEPAD agenda at the centre of the ECOWAS programme in West Africa. However, the ECOWAS Secretariat recognised that it lacked the institutional capacity to carry out the role assigned to it. It, therefore, approached the donor community to solicit further support that would enable it to play its expanded and critical role with respect to NEPAD.

In order for ECOWAS to meet its new challenges and become a well-performing institution, it needs to take a number of substantive actions to address critical issues, including:

- consolidating its internal structure and simplifying the numbers of layers of decision;
- strengthening the Office of the Executive Secretary in order to better define the institution's corporate strategy, business plan and corporate priorities and to align its programmes systematically with the NEPAD programme so as to have a systematic cor-



- porate view of the institution's activities and key performance indicators;
- developing an efficient information system; this requires new equipment and software and, more importantly, a corporate framework that ensures that the sub-systems are coherent and communicate easily with each other;
- enhancing ECOWAS's capacity to communicate the content and implementation progress of NEPAD programme to civil society in the region;
- developing more transparent and streamlined administrative and financial procedures;
- developing a new management culture that is action-and result-oriented; and
- revising the incentives and staff evaluation systems.

ECOWAS also realises that it is important to harmonise the policies and activities of ECOWAS and UEMOA and to better coordinate the two programmes. This will require greater interaction and collaboration between the two organisations. They have already decided to hold a coordination meeting every six months. ECOWAS is well aware that this is an ambitious programme that will need to be executed over a period of many years and has developed an action plan for the short term, i.e., the next three years. This short-term action plan¹ covers priority staffing needs additional to ECOWAS's own hiring plan, critical needs in terms of equipment and studies to determine activities that will be carried out in the longer term, such as the up-grading of the ECOWAS computer and Intranet system.

At a donors'/funding agencies meeting in November 2002 essential components of the plan attracted funding pledges. The current challenge for ECOWAS is to move ahead expeditiously on the hiring of consultants and the carrying out of the required studies. The fact that the ECOWAS management has been distracted from this task in recent months by the crisis in Cote d'Ivoire shows how hard it is to keep a consistent focus on institutional development for regional programmes. There is no doubt, however, that ECOWAS has taken important steps forward towards defining the roadmap for the effective implementation of the NEPAD STAP. The challenge will be to translate this roadmap into operational reality.

The steps taken by ECOWAS could serve as a model for other RECs that have not yet established the institutional framework for NEPAD.

2.1.1.2 Progress on STAP Projects

The following is a summary of progress on the implementation of projects in the NEPAD (STAP) in the sub-region; more details are provided for projects in which notable progress has been made.

- 1 West African Gas Pipeline (WAGP) Project: Progress has been made towards solving the main commercial and contractual issues. A regional Gas Regulatory body has also been set up. The Sponsors and the Governments are proceeding with the negotiation and the drafting of commercial and legal agreements; and the World Bank Group is now in a position to review project documentation and to carry out the economic and financial assessment of the project.

¹ The Plan is reproduced at Annex 2 as an example of how a REC can approach its NEPAD responsibilities.

- 2 West Africa Power Pool (WAPP): Since July 2002, the following activities have been carried out:
 - setting up of national teams in Benin, Burkina Faso, Cote d'Ivoire, Ghana, and Togo focusing on the preparation of the project;
 - setting-up of a project preparation coordination committee;
 - approval of key terms-of-reference for the environmental and technical studies;
 - approval by the Council of Ministers of ECOWAS of the Energy protocol;
 - strengthening of ECOWAS capabilities in the energy sector; and
 - progress on the commissioning and appraisal of the Ikeja (Nigeria) /Sakete (Benin) transmission line, Takoradi/Tema transmission line in Ghana and the Bobo Diolasso/Ougadougou transmission line within Burkina Faso;
 - USAID, BOAD, and EBID have expressed interest in financing the project at an estimated cost of US\$221 million, up from the previous estimate of US\$ 151 million.
- 3 Master Plan for Sub-regional Inter-Connections (East, West & Central): Although the West Africa sub-region Power Master Plan exists, the World Bank has advised that a consultant be hired to address issues of demand and supply, among other things. USAID is funding the revision of the Master Plan and the recruitment of consultants is underway. There is also a need for supplementary studies and the AfDB and Japan have agreed to fund them.
- 4 Capacity Building Project for Energy (AFREC): ECOWAS has appointed a coordinator and an Executive Officer for AFREC as well as created an Energy Observatory Centre.
- 5 Facilitation Project for Energy: The following studies have been completed: (a) an assessment to generate proposals for cooperation in New and Renewable Sources of Energy (NRSEs); (b) an assessment to generate proposals for cooperation on Improving Energy Efficiency and Reliability of Energy Supply; (c) an assessment to generate proposals on Cooperation in Oil/Gas Trade, and (d) an assessment to generate proposals on Cooperation in Rural Energy in the African Energy Sector. However, individual countries now need to develop country policies which will have to be harmonised.
- 6 Action Plan for Integrated Water Resources Management in West Africa:
 - The Integrated Water Resources Unit in Ouagadougou has the responsibility to execute the project;
 - ECOWAS intends to recruit a water resources expert to enhance capacity to execute the project;
 - UA 70,000 from ECOWAS Fund and CFA 68 million from Burkina Faso as initial funds have been already secured to help establish a body to coordinate and monitor the regional action plan for the integrated management of water resources.
- 7 Strengthening of the Niger River Basin Authority Inter-State Forecast Centre (CIP) and Support of other Existing River Basin Organizations as well as New Ones: As there are no reporting arrangements between ECOWAS and the River Basin Authorities, no information could be obtained on the progress of the project.



8 Facilitation of Road Transit (incorporating Implementation of Overload Control Along Road Corridors and Strengthening Stakeholders Associations for Trade Facilitation): ECOWAS has made progress on a joint program with UEMOA and CILSS on road transport facilitation. The elements of this collaboration are given below:

- UEMOA launched a pilot programme approved by its Council of Ministers in 2002 to improve the efficiency of some of the international corridors crossing its member countries. The programme is coordinated with similar initiatives by CILSS and the private sector and is funded by UEMOA, USAID and SSATP. The first leg of the programme involves the monitoring of transit operations along these corridors. Data will be collected by truck drivers and then analysed and disseminated by regional institutions. The drivers will provide information on the number of roadblocks, the time lost at roadblocks and at borders. Data should also be collected on both official and unofficial payments made along the corridors. The information will be made public to increase accountability of governments and to encourage them to take action to reduce transport and transit obstacles. Six corridors will be monitored as follows: UEMOA will be responsible for Abidjan-Ouagadougou, Tema-Ouagadougou, Lomé-Ouagadougou and Ouagadougou-Niamey with support from the Sub-Saharan Africa Transport Program; CILSS will be responsible for Abidjan-Bamako and Dakar-Bamako with support from USAID; while ECOWAS will be responsible for Abidjan-Lagos, with support from the Abidjan-Lagos Transport Corridor Project funded by the World Bank;
- The second leg of the pilot programme is the construction of two one-stop border posts at the borders between Côte d'Ivoire and Burkina Faso and between Togo and Burkina Faso. The objective is to reduce the number of stops and controls at the borders as well as facilitate the exchange of information between customs administrations. It is proposed to modernize the customs facilities and revise the format of customs documents with the objective of reducing physical contact between customs agents and truck drivers. Scanners would also be installed to reduce physical inspection of freight;
- Other components of the program include effective implementation of the ECOWAS IRST and IST conventions. This involves specifically the implementation of a regional customs bond scheme. UEMOA programmes also aim at harmonization of transport and transit regulation, customs system integration and port procedures simplification;
- In September 2002, a meeting was held in Ouagadougou among UEMOA, ECOWAS and funding agencies (European Union, France, World Bank) to discuss the extension of the programme piloted by UEMOA to other corridors in the region. The meeting agreed that a workshop would be held to prepare the logical framework of the expanded programme, which would receive financial support from the funding agencies.

9 Rail Inter-Connection Feasibility Study for ECOWAS Countries: The activities of the project are given hereunder:

- A grant agreement has been signed between AfDB and ECOWAS;
- ECOWAS has short-listed candidates for the study support team of six rail experts from member states;
- ECOWAS is in the process of setting up a Study Implementation Unit at the headquarters;
- Bids for the study are being received.

- 10 Institutional Support for the Implementation of the Yamoussoukro Decision (incorporating the Global Navigation Satellite System (GNSS) and Cooperative Development of Operational Safety and Continuing Airworthiness Programme (COSCAP): The three separate STAP projects were combined into the Project for Air Transport Liberalisation for West and Central Africa under the implementation of the Yamoussoukro Decision.

In this regard, several studies, financed through the WB/IDF and EU grants, were carried out. They dealt with development of the economic regulatory framework of air transport, harmonization of the air transport legal and institutional framework, and development of an aviation safety oversight mechanism in West and Central Africa.

Furthermore, the importance of the implementation of the Yamoussoukro Decision is well acknowledged both by public and private stakeholders. Initial benefits (increased service and better reliability) as well as real threats (designation of carriers that do not meet technical and financial standards) are now more apparent. The need for an effective competition policy taking into account the specificities of air transport has also been discussed and acknowledged.

A seminar was organised to review proposals and develop action plans that were submitted to the Committee of Ministers. Now, action needs to be taken on economic regulation and on air safety oversight.

The Committee of Ministers, at their meeting in Lomé in February 2003, adopted a resolution which:

- Reaffirmed their collective and individual commitment to the Yamoussoukro Decision;
 - Requested all the West and Central African States to strengthen the institutional capacity of ECOWAS and CEMAC by setting up, inter alia, functional air transport units within these two sub-regional economic;
 - Requested member States to make these units operational without delay by providing them with appropriate human and financial resources to ensure the sustainability of the activities of the Committee and the Council of Ministers;
 - Established a committee for the harmonization of laws and regulations composed of the Executive Bureau, CEMAC, ECOWAS, UEMOA, the Banjul Accord Group, Mauritania, Sao Tome and Principe, funding agencies and any other interested parties;
 - Requested the Ministers of Foreign Affairs of member States to take urgent practical measures to fast-track the exchange of diplomatic notes for the designation of airlines, as provided for in the Yamoussoukro Decision.
- 11 Study on the Upper Airspace Control Centres: No progress has been reported. It seems there is need to cooperate with ASECNA to workout modalities for implementation of the USCC in the sub-region.
- 12 Maritime Security and Facilitation of Maritime Traffic: the drafting of the terms of reference for the project is in progress and will be finalized after visits to IMO and SADC.
- 13 Maritime Pollution: There is need to prepare programme documents in collaboration



with SADC and IMO. However, the project is considered a long-term one and no progress has been reported.

14 Development of Telecommunications Equipment Manufacturing in Africa: No progress has been reported. However, this project is considered to more appropriately belong to the private sector.

15 ICT Policy and Regulatory Framework at Regional Level:

- In telecommunications, good progress has been made on the physical aspects of regional integration, notably on the upgrading and harmonisation of equipment. The next step is to move towards the harmonisation of telecommunications policies as a precursor to the creation of a regional telecommunications market;
- ECOWAS plans to take advantage of the new momentum created by NEPAD to improve the process of harmonizing telecommunications reforms and developing an ECOWAS-wide regional policy. The ECOWAS Secretariat (under a PPIAF grant of US\$ 279,000) is carrying out a study on the harmonization of sector policies and regulatory framework in the telecommunications sector. Preliminary study reports have been circulated and discussed with international stakeholders (Africa Connection, International Telecommunication Union, European Union, and the World Bank);
- A workshop took place in March 2003 involving representatives of member States to discuss concrete steps towards a regional telecommunications policy and the appropriate regulatory framework after the study is completed. The workshop contributed to educating leaders and stakeholders on issues in the telecommunications sector and to building consensus on harmonization of telecommunications rules and market structures, the objective being to establish a regional telecommunications market by 2007;
- The next step is to prepare the regional policy to be presented to the Ministers in charge of communications before the ECOWAS Summit in December 2003. Efforts are also required to mobilize greater private sector financing with a view to move from a teledensity of 1.6% (end 2001) to 10% by end 2007;
- ECOWAS has also set up a West African Telecommunications Regulatory Association (WATRA) with the aim of harmonizing policies and establishing a regional ICT database at the headquarters.

16 ICT Human Resources Capacity Development Initiative for ECOWAS: ECOWAS has prepared a Short-Term Action Plan for Institutional Capacity Building Programme supported by EU, World Bank, Canada, UK, USA, France and the African Development Bank. The program includes components for ICT.

17 Strengthening of African Telecommunications and ICT Institutions: There is a regional telecommunications maintenance centre in Lomé.

18 Continental Umbrella Initiative to Facilitate the Utilization and exploitation of ICTs in African Countries: No progress has been reported.

19 STAP Road Links:

1	Boke- Quebo; 206 km construction	Economic and technical studies in progress Potential funding agencies are: IsDB, BADEA, AfDB, EU
2	Akatsi-Dzodze-Noepe; 31 km upgrading	Financing for works has been secured (AfDB – Ghana link; ECOWAS Fund – Togo Section).
3	Zinder-Nigeria border, 110 km rehabilitation	No information
4	Agades-Zinder, 130 km upgrading	No information
5	Kati- Kita Saraya; 345 upgrading	Feasibility studies & engineering design completed (2001); EIRR>14 on the Kati-Kita Section and considered for financing by EU and KFW while the Kita-Saraya is being considered by IsDB
6	Kante-Burkina Faso border; 194 km rehabilitation	Appraised by AfDB in 2001 for co-financing with AFD and Saudi Fund. Has EIR of 17; however, suspended due to Togo being in arrears with AfDB.
7	Mamfe-Enugu, 161 km upgrading in Cameroon and rehabilitation in Nigeria	Mamfe-Ekok has already been appraised by AfDB; however, Cameroon has submitted a request to AfDB for reappraisal under multinational financing. The Road Section is now in AfDB Indicative Operational Program for 2003. Meanwhile the Nigerian request is yet to be received by AfDB.

2.1.2 ECCAS

2.1.2.1 Institutional Progress

Central African experts held their 6th meeting in Libreville, on 27th and 28th March 2003. During the meeting, information was given on the following:

- Program on infrastructure for the sub-region consisting of 87 projects;
- Adoption of the STAP;
- Presentation of NEPAD at G8 meeting in Kananaskis, Canada;
- Adoption of the Memorandum of Agreement on the African Peer Review Mechanism.

Furthermore, the experts put in place a sub-regional coordination structure for NEPAD, for which the secretariat is assumed by ECCAS. The structure is composed of representatives from each national NEPAD co-ordination body (one per country), civil society, the private sector, CEMAC, ECCAS and from the ECA Office for Central Africa.



On 12th April 2003, member countries of ECCAS created the Central Africa Energy Pool. This Pool is charged with the task of finding solutions to problems inherent in the energy sector through co-operative development and exploitation of energy resources in the sub-region and through interconnection of the national networks.

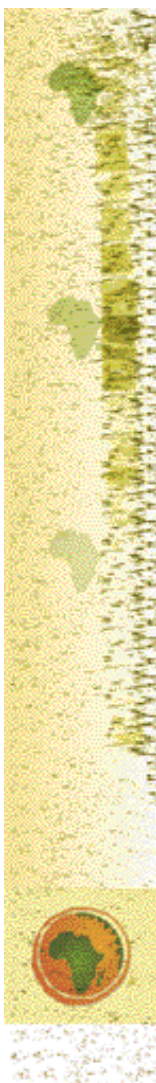
A workshop on economic integration in Central Africa was held from 16th to 18th October 2002, in Yaoundé, under the auspices of the World Bank and the European Union. As follow-up to the workshop, a World Bank institutional development project, modelled after the one currently under implementation in ECOWAS, is under preparation. However, it only covers the CEMAC region that comprises only seven countries, namely: Cameroon, Gabon, Central African Republic, Congo, Equatorial Guinea, São Tomé and Príncipe, and Chad

The review mission to ECCAS revealed that the sub-region suffers from an acute shortage of resources necessary for the formulation and management of the projects in the STAP. In order to remedy these shortcomings, ECCAS, in August 2002, made a request to the AfDB for financing an institutional support project. The terms of reference for the proposed support are currently being finalised.

2.1.2.2 Progress on STAP Projects

The following is a summary of progress on the implementation of projects in the STAP in the sub-region.

- 1 DRC – Grand INGA Integrator Study: ECCAS to liaise with DRC to draft terms of reference for the study and seek for financing. It is important that ECCAS liases with SADC on this project as the latter appears to have done considerable work on it.
- 2 Study on Interconnectivity of Electricity Networks: Following a financing request from ECCAS, the AfDB is currently preparing the terms of reference for an electricity interconnectivity study based on their mission to ECCAS in April 2003. The terms of reference are about to be finalised and the project should be presented to the African Development Fund in June 2003. The study should start in January 2004 and last two years.
- 3 Facilitation Project in the Energy Sector: No progress has been reported. ECCAS will liaise with AFREC for the implementation of the Central Africa component.
- 4 Capacity Building Project in the Energy Sector: No progress has been reported. ECCAS will liaise with AFREC for the implementation of Central Africa component.
- 5 Water Resources Management Support for Central Africa: No progress reported.
- 6 Facilitation of Road Transit Transport: ECCAS has requested support of the infrastructure technical assistance facility to undertake a study with a view to: 1) evaluating existing road facilitation programmes in the implementation of which Central African countries are involved and 2) developing an appropriate facilitation programme for Central Africa and an action plan for implementation.



- 7 Implementation of Overload Control along Road Corridors: See project N° 6.
- 8 Strengthening Stakeholders Associations for Trade Facilitation: See project N° 6.
- 9 Establishing One-Stop Border Posts: See project N° 6.
- 10 Pre-feasibility Study on Interconnectivity of Railway Networks: On the basis of draft terms of reference, ECCAS has requested the AfDB to finance the study. ECCAS is currently preparing additional information in order to enable AfDB carry out an evaluation of the request.
- 11 Pre-feasibility Study of Muyumba Port: This study is about to be completed and the conclusions seem to confirm the economic feasibility of the project. However, it is highly advisable to carry out a complete feasibility study. Gabon has expressed a desire to obtain private financing in the form of a BOT arrangement. The details on the project have been revised accordingly.
- 12 Implementation of Actions related to the Yamoussoukro Decision and COSCAP: CEMAC has been collaborating with ECOWAS in implementing the Yamoussoukro Decision on the Air Transport Deregulation in West and Central Africa². CEMAC participated actively in the preparation and organisation of the ministerial meeting that took place in February 2003 in Lomé. Seven countries from Central Africa attended this meeting. The conclusions of the meeting are elaborated upon in the section on ECOWAS.
- 13 Global Navigation Satellite System (GNSS): No progress has been reported. ECCAS will liaise with ASECNA and ICAO for the implementation of the Central Africa component.
- 14 Study on the Upper Space Control Centres: No progress has been reported. ECCAS will liaise with ASECNA and the ICAO for the implementation of Central Africa component.
- 15 Transport Recovery in Angola and DRC: ECCAS to liaise with Angola and DRC for complementary information on existing programmes.
- 16 SAT 3/WASC/SAFE – Utilisation to Improve Interconnectivity: No progress has been reported.
- 17 Development of Telecommunications Equipment Manufacture in Africa: No progress has been reported. ECCAS will liaise with the ATU for the implementation activities for the Central Africa component.
- 18 ICT Policy and Regulatory Framework at the Regional Level: ECCAS is currently finalising Terms of Reference for submission to financial institutions for possible financing.
- 19 Continental Umbrella Initiative to facilitate the Utilisation and Exploitation of ICTs in African Countries: No progress reported. ECCAS to liaise with the ATU for the implementation activities for the Central Africa component.

² See ECOWAS achievements for details.



2.1.3 IGAD

2.1.3.1 Institutional Progress

During the year 2002 the Secretariat of the Intergovernmental Authority on Development (IGAD) has formulated, under the new restructuring programme, a long-term IGAD strategy, staff service regulation, financial regulations and a new organizational structure. The restructuring exercise was participatory and involved stakeholders from member states and IGAD Partners forum. It was not specifically focused on NEPAD.

The recent signing of an MOU between IGAD and ITU will be a boost for the implementation of the NEPAD projects on ICT. The MOU has enabled IGAD to be designated as the leading REC for the implementation of PANAFTEL network in the Horn of Africa. IGAD will also find it easier to cooperate with ITU on a wide range of issues in the development of ICT and telecommunications in the sub-region.

During 2002 IGAD also established the IGAD Business Forum in accordance with the recommendations of the 21st Session of IGAD Council of Ministers meeting in Khartoum, Sudan in January 2002. The IGAD Business Forum is expected to play a leading role in regional trade facilitation, advocacy and lobbying for increased regional trade and economic integration.

Finally, the IGAD Secretariat has started publication of a newsletter that is published every two months for the dissemination of information about IGAD activities to its members.

2.1.3.2 Progress on STAP Projects

This section reviews the state of implementation of STAP programme in the IGAD sub-region.

- 1 Implementation of IGAD's Hydrological Cycle Observation System (IGAD HYCOS): Financing to the tune of USD 12,000 has been provided for the first component of the project and a work programme for the project-detailed documentation has been prepared.
- 2 Implementation of Overload Control along Road Corridors: The TOR for the project has been prepared and IGAD is seeking support to develop a framework for control of overload along road corridors in IGAD.
- 3 Port of Djibouti and Dry Port at Addis Ababa: A pre-feasibility study of the project has already been financed and financing for a full feasibility study and detailed engineering is being sought. In parallel, the EU has agreed to finance the rehabilitation of the railway (40 million) prior to concessioning.
- 4 Institutional support for the implementation of the Yamoussoukro Decision: This is an on-going project to be implemented in close collaboration with COMESA.
- 5 Cooperative development of operational Safety and Continuing of stakeholders associations: IGAD has no knowledge on status of the project as COMESA is the main implementing agency.

2.1.4 EAC

2.1.4.1 Institutional Progress

The EAC has played a leadership role vis-à-vis its member states concerning the implementation of NEPAD programme and projects. The first institutional achievement of EAC is the establishment of the Coordinating Committee as one of its organs. The Committee is responsible for ensuring consistency and complementarities among the projects and programmes agreed upon by the Partners or under implementation, including all those under NEPAD. In this regard, sectoral committees have also been established on the recommendation of the Coordinating Committee; the Committee on Energy, Transport, Communications, the Meteorological Committee and the Committee on the Environment and National Resources have the mandate to pay special attention to all NEPAD projects falling under them.

The Community has successfully established various consultative institutions in support of its NEPAD projects. A case in point is the EAC Development Partners' Consultative Meetings on Roads that is normally convened to look into the rate of implementation of the Road Network Project of EAC. It held a successful meeting in April 2003 that reviewed and approved the EAC road network programme under the project. Similar institutional arrangements exist for other components of NEPAD programmes and projects in the transport, energy, communications and water sub-sectors.

The EAC Secretariat is in the process of enhancing its coordination capacity for NEPAD projects by allocating a focal point in the Secretariat that will coordinate all NEPAD activities and liaise with NEPAD/AfDB, member states and all other partners involved in programme implementation.

2.1.4.2 Progress on STAP Projects

The EAC has eight projects under STAP, and progress on their implementation is as follows:

- 1 Strengthening Stakeholders Associations and Trade Facilitation: Consultations with the East African Business Council are in progress as well as the development of strategies for private sector development. The EAC is also carrying out preparatory activities for conducting an audit and needs assessment of trade and transport associations in the sub-region.
- 2 Institutional support for the concessioning of the Railways in Kenya, Uganda, Tanzania and TAZARA: The national railways are at different stages of restructuring and the development by EAC of a framework for harmonization of legal, financial and technical issues in connection with the project is in progress.

Meanwhile, the framework for railway restructuring has been finalized and the process of developing the project dimensions on ownership; engineering, financial and labour issues related to privatisation is on-going. EAC needs support from NEPAD/AfDB for the implementation of the project.



- 3 Rehabilitation of selected East African and SADC railways in support of concessio-
ning: The heads of the various railways were to meet and EAC would report to
NEPAD/AfDB on the outcome of the meeting and the status of the project. EAC needs
NEPAD assistance for the implementation of the project.
- 4 Safe Navigation on Lake Victoria: A study to develop a framework for navigational
aids, search and rescue, hydrography/mapping, and maritime legislation has been
completed and accepted by EAC. However, a study on maritime meteorology has not
yet been completed. Similarly, a study carried out by EAC on safe navigation has been
completed and is under considerations by the member countries.
- 5 Institutional support for the implementation of Yamoussoukro Decision: Preparations
for studies on the project are in progress at the COMESA level and EAC is developing
a proposal for a support mechanism and for consultation with COMESA. EAC will
require support from NEPAD for its implementation.
- 6 Establishing Sub-regional Upper Airspace Control Centre (UACC): The project is to
start in July 2003, and EAC will require financial support from NEPAD/AfDB for its
implementation.
- 7 Cooperative Development of Operational Safety and Continuing Airworthiness
Programme (COSCAP): the project will be finalized by end of April 2003.
- 8 The East African Road Network: An EAC Development Partners Consultative Meeting
on Roads was held at the end of April 2003 to determine progress made in imple-
mentation of the road network project. Ministers of the three countries presented ela-
borate briefs covering progress in the implementation of the road network project,
implementation of the conditionalities agreed in 1998, review of the financing of the
agreed road sections, and proposals for further funding for the outstanding sections
of the agreed road project as well as for new road sections.

The consultative meeting resolved to continue support for the implementation of the ongoing phase of the project and the proposed additional links measuring 5, 102 km. The World Bank confirmed the availability of US\$ 400-500 million for the three partner states' national road sector programmes for the next three years and the European Union also pledged Euros 375 million over the five-year period. The AfDB also expressed continued support for the regional integration projects.

2.1.5 COMESA

2.1.5.1 Institutional Progress

The Fourth Meeting of the Ministers of Transport, Communications and Public Works of COMESA in February 2003 noted that COMESA was preparing an infrastructure master plan for enhancing regional interconnectivity in order to promote regional integration through trade and investment. The projects in the master plan are expected to be based on the NEPAD framework and, in pre-

paring projects for submission, the meeting took note of the need to give priority to projects that improve regional inter-connectivity.

An integral part of the COMESA agenda is the establishment or strengthening of institutional mechanisms for achieving interconnectivity and harmonisation of policies and processes in the relevant sub-sectors. In this regard, two significant efforts have been made as follows:

- COMESA consults regularly with trade and transport associations in the region and recognizes the need to put in place formal support mechanisms for these entities especially at the regional level. While an apex organization – the COMESA Business Council--already exists, whose functions include the co-ordination of national inputs to ensure regional influence of matters of interest to the trade associations, COMESA plans to undertake an audit of private sector associations and draw up an action plan for rationalizing and supporting these associations in a more comprehensive manner;
- A second major initiative of COMESA in the area of policy harmonisation is with respect to ICT policy and regulation. A two-phase project of Regulatory Harmonisation is being carried out. Phase II of this project is based on a study conducted during Phase I and focuses mainly on providing solutions for improving and harmonising the regulatory environment of the member states in pursuance of the recommendations of the Phase I study. The main outputs from Phase II will be:
 - Development of a Common ICT Policy and Model Legislation;
 - Development of Common Policy Guidelines in specific areas of regulation;
 - Establishment of Regional Association of ICT Regulators as a driver of harmonisation of regional level;
 - National implementation of harmonisation by customising the Common ICT Policy, the Model Legislation, and the Common Guidelines in member states; and
 - Capacity building for Regulatory Authorities.
- An ICT policy for COMESA has been developed through a series of meetings of a Steering Committee and a workshop of regulators and other ICT stakeholders held in Nairobi in 2002. The workshop discussed and recommended a Model Information and Communications Bill. As regards the regional association of regulators, this was established in January 2003 and is called the Association of Regulators of Information and Communications (ARICEA).

2.1.5.2 Progress on STAP Projects

COMESA's STAP projects can be grouped into four categories, namely, a) transport and trade facilitation, b) air transport, c) lake transport, and d) telecommunications. Progress on their implementation is described below:

- 1 Implementation of Overload Control along Road Corridors: There has been good progress made in the implementation of axle load controls along key road corridors in the region. During the last meeting of COMESA Ministers of Transport and Communications (February 2003), a decision was made to fully implement the project. A study is



currently being carried out by GTZ the results of which will feed into the framework of action being developed by COMESA. A project document to prepare for capacity building within member states has been developed in collaboration with SADC and EAC.

- 2 Implementing COMESA/SADC Uniform Custom Document and Bond Guarantee Scheme: COMESA is in the process of developing a specific implementation framework for the SADC/COMESA Uniform Custom Document. On the Bond Guarantee Scheme, COMESA is in the process of implementing the scheme in the region. COMESA has been designated as the lead REC to develop and implement the project.
- 3 Establishing One-Stop Border Posts: A pilot project will be implemented between Zambia and Zimbabwe at Chirundu following the completion of the new bridge being financed by Japan. Another corridor under consideration is the one linking Kenya and Uganda with the border post being at Malaba. The results of the pilot at Chirundu will form the basis for the implementation of the border post at Malaba. To enhance the implementation of the project, COMESA is planning to visit operational projects one-stop border post such as the one in the Maputo Corridor, to ensure that good practices within such corridors are incorporated into the implementation framework within the COMESA region.
- 4 Strengthening Stakeholder Associations for Trade Facilitation: COMESA is already consulting regularly with these associations, which come under the umbrella of the COMESA Business Council. COMESA will now draw up an action plan for rationalizing and supporting these associations in a more comprehensive manner.
- 5 Yamoussoukro Decision: COMESA has made significant strides in the liberalization of air transport within the region and has been working jointly with SADC in this respect. The key aspects that need to be addressed in the finalisation of the air transport competition regulations for air transport include the drafting of the necessary implementing rules and resolving some concerns expressed by some member states.
- 6 COSCAP: COMESA is currently discussing with ICAO the setting up of appropriate groupings for the implementation of COSCAP in its member countries. The basic tenet under consideration is the question of the utilisation of regional experts as well as the pooling of countries to develop the necessary capacity for project implementation.
- 7 Upper Airspace Control Centre: The decision to implement the project has been taken by COMESA Council of Ministers. A study on the CNS/ATM systems has been ongoing with funding from EU. However, due to lack of additional funding, the study has not been progressing as well as it was expected to.
- 8 Implementation of a Global Navigation Satellite System: No progress has been reported.
- 9 Safe Navigation on the Tanganyika and Malawi/Niassa/Nyasa Lakes on which no work has been done beyond project conception.
- 10 COMESA telecommunications project (COMTEL). COMESA is currently negotiating

with a Strategic Equity Partner (SEP) who is ready to invest in the project. Due diligence work on the submission of the SEP is currently at an advanced stage. The Board expects to conclude negotiations with the SEP by May 2003 and has requested the National Telecommunications Operators to remit their share subscriptions by July 2003. It is advisable that implementation of this project be co-ordinated with the SADC SRII project as some of the National Telecommunications Operators are involved in the implementation of SRII and some of the links envisaged under COMTEL project may have already been or are being implemented under the SRII initiative.

- 11 ICT Policy and Regulatory Framework at Regional Level: COMESA has developed a common regulatory policy through the elaboration of a draft Information and Communications Bill and the establishment of a regional regulatory association called the Association of Regulators of Information and Communications (ARICEA).

2.1.6 SADC

2.1.6.1 Institutional Progress

Over the last three years, SADC has undertaken serious re-structuring of its organization and institutions. Four directorates have now been created at the SADC Secretariat to ensure greater focus on key objectives and priorities of the sub-region. These are the Directorate of Trade, Industry, Finance and Investment; Directorate of Food, Agriculture, Natural Resources; Directorate on Social and Human Development and Special Programmes; and Directorate of Infrastructure and Services. In addition, SADC is also undertaking a study on its new organizational structure. The study is intended to:

- give expression to the new organisational structure of SADC as approved by the SADC Summit in March 2001;
- review reporting lines within the new organisational structure as approved by the Summit;
- review personnel requirements, personnel administration and conditions of service as well as cost implications; and
- review policies, procedures and regulations for the new organization and provide a strategy for expeditious implementation of the new organisational structure.

At country level, according to the approved new organisational structure, SADC national committees and coordinating units have been or are being established. At sector level SADC has defined its priorities within various sectoral Protocols and programmes, which seek to harmonise policies and establish public-private partnerships in order to create an environment conducive to sectoral growth through increased investment and efficient operations. Implementation of these Protocols and programmes is in progress.

This restructuring should position SADC to be more effective in carrying out its NEPAD responsibilities.

The other major achievement of SADC, particularly in transport, has been the significant progress being made in implementing sectoral policy, legislative and institutional reforms. In order to accelerate these reforms, SADC has established regional model policies and legislative provisions that are informing and guiding the reforms at national level. These reforms have so far led to:



- Establishment of dedicated road funds and boards, autonomous road agencies/ authorities, autonomous regulatory agencies in aviation and telecommunications;
- Enhanced involvement of the private sector in infrastructure and service provision through privatisation, concessions, securing strategic partners or the establishment of new infrastructure facilities and services in areas such as toll roads, port terminals, airports, railways, fixed and mobile telecommunications, and internet services;
- Increased participation of the private sector in national and regional policies and programmes. The private sector has been encouraged and is being assisted to form national and regional associations to pool resources and coordinate their positions in key issues. Regional associations established so far include the Federation of Eastern and Southern Africa Transport Associations (FESARTA), Federation of Clearing and Forwarding Associations of Southern Africa (FCFASA), Association of Road Agencies of Southern Africa (ASANRA), Airlines Association of Southern Africa (AASA), Telecommunications Regulators Association of Southern Africa (TRASA) and Southern African Telecommunications Administrations (SATA).

2.1.6.2 Progress on STAP Projects

The following progress has been reported by SADC.

- 1 Mepanda Uncua Hydropower Project: The project had been downgraded to a national project. Although SADC would continue to offer assistance to Mozambique in the realisation of the project; thus, the responsibility for the development and implementation of the project now rests with the originating country, Mozambique.
- 2 Mozambique-Malawi Inter-connection Project: The responsibility for the development and implementation of the project rests with the originating country, Mozambique. This is part of the SAPP and both countries are deeply involved in preparation, particularly the environmental assessment and the technical feasibility. The World Bank is currently preparing the project for possible financing and IDA financing is expected in the amount of US\$ 63 million.
- 3 DRC-Grand Inga Integrator Study: The Grand Inga project is considered a priority project for SADC in view of its key objective in the energy sector, which is to harness the hydro potential in the region. Constraints to the successful realisation of the project were identified as weak institutional framework in DRC and the poor state of the DRC state utility. SADC considers the development of an institutional framework and restructuring of the DRC Utility a priority. SADC is, therefore, planning to organise a project coordination meeting involving all key stakeholders and NEPAD/AfDB to determine the most effective way forward.
- 4 DRC-Angola-Namibia Interconnection Study: The energy utilities of DRC, Angola, Namibia, Botswana and South Africa have formed a project company to develop the interconnection project. The project has subsequently been re-named as the Western Corridor Interconnection Project. The five utilities have agreed an equity contribution

of 20% to enable the project to be financed. Presently each utility has contributed US\$ 100,000 totalling USD 500,000 for the initial development work on the project.

- 5 Guidelines and Support for National Water Sector Policy and Strategy Formulation or Review in Member States: The first component of the project is very advanced and most SADC member States are currently being consulted on the development and institution of key policies in the respective member States.
- 6 Ground Water Management Programme for the SADC Region: The second component of the programme was completed and is being implemented in SADC member States. The component was re-formulated to address the 'code of good practice' as opposed to 'the minimum standards' as initially defined. The fifth component of the programme – hydrological map – was developed in conjunction with the Council of Geosciences of South Africa (CGS) and with financing from the French Development Agency. Component 10 of the programme has been developed with assistance from GEF and the component incorporates the key elements of other components, namely 1,3,4.
- 7 Assessment of Surface Water Resources: The project document had been developed in collaboration with the Water Research Commission of South Africa. The document is being discussed with member countries of the sub-region.
- 8 Expansion and Implementation of SADC Hydrological Cycle Observation System (SADC HYCOS): The first phase of the project financed by the EU has been completed. The project has moved into the second phase for which the project document has been approved. The implementation agency for the second phase – Department of Water Affairs/Forestry of South Africa – has been selected. Financing for the second phase of US\$ 4.5 million has been secured from the Dutch Government.
- 9 Implementation of Overload Control along Road Corridors: A survey conducted by GTZ on the current status of the project is nearing completion. In parallel with this, good progress on the Trans-Kalahari and Dar es Salaam corridors have been made where a USAID-funded project is assisting in the comprehensive implementation of the harmonised overload control system along the corridors, based on the established SADC model which calls for the adoption of an administrative adjudication, through on-the-spot payment of punitive steep fines, and the contracting out of the management of weighbridges.
- 10 COMESA/SADC Uniform Custom Document and Bond Guarantee Scheme: COMESA as the lead REC on the project is in the process of developing a specific implementation framework for the SADC/COMESA Uniform Custom Document. However, the experience in SADC indicates that implementation of the agreed Customs Document requires its adoption in national legislation or regulation, which may take time. After the necessary change of regulation by the Trans Kalahari Corridor countries, the system is about to be implemented in this corridor, under the USAID Hub Initiative. The Dar es Salaam Corridor countries are also considering implementation, under the same USAID assistance initiative. As regards the Bond Guarantee Scheme, the SADC customs administrations and the private sector are currently considering the best practi-



cal option to be adopted for executing a more facilitative and cheaper customs bond security system that would best suit the SADC environment and take advantage of new information technologies. The options being considered include adopting the COMESA Regional Bond Guarantee Scheme and the systems that are operational in other parts of the world, especially in Europe.

- 11 **Strengthening Stakeholders Associations for Trade Facilitation:** Stakeholders Associations have continued to receive some assistance from funding agencies especially for participating in specific donor assisted programmes. However, an analysis of the needs and long-term sustainability of the associations is planned.
- 12 **Establishing One-Stop Border Posts:** Four possible border posts are under consideration as pilot projects. Two of these are to be implemented along the Trans Kalahari and Dar es Salaam corridors, with USAID Hub project support. Through bilateral arrangements between South Africa and Mozambique, the Libombo Border Post will soon be operational as a pilot post for the one-stop border posts.
- 13 **Institutional Support for the Concessioneing of Railways:** Zambia Railway has been concessioneing. The concessioneing of Nacala Corridor Railway in Mozambique is nearing financial closure. An agreement to concessioneing the TAZARA railway was reached by the TAZARA Council of Ministers. The next step has been identified as the development of the various options and opportunities for the concessioneing of the TAZARA Railway system.
- 14 **Nacala Port (Mozambique) Rehabilitation:** The concessioneing of the Nacala Port is nearing financial closure.
- 15 **Advisory Services for Maritime Affairs:** No significant progress on the implementation of the project has been made in SADC; however, the project document is being revised by SADC for re-submission to EU for possible assistance.
- 16 **Regional Strategy for Ship Waste Reception Facilities:** No significant progress on implementation of the project has been made in SADC.
- 17 **Maritime Safety and Facilitation of Maritime Traffic:** No significant progress on implementation of the project was reported by SADC.
- 18 **Sub-Regional Upper Airspace Control Centre (UACC):** Funding of US\$ 600,000 was obtained from USTDA to implement the project. ISI had been identified as a possible company to undertake the work; however, there are some issues regarding the control of upper airspace that need to be clarified and the terms of reference for this work are yet to be finalised.
- 19 **Safe Navigation on the Tanganyika and Malawi/Niassa/Nyasa Lakes:** Malawi and Mozambique and Malawi and Tanzania have signed lake services agreement on shared lake transport. SADC needs to liase with COMESA on the project as COMESA appears to be taking a slightly different approach.

- 20 Institutional Support for the Implementation of the Yamoussoukro Decision: SADC has made significant strides in the liberalization of air transport within the region. SADC has been working jointly with COMESA in this respect. The key aspect that needs to be addressed in the finalisation of the air transport competition regulations for air transport include the drafting of the necessary implementing rules and resolving some concerns expressed by some member states.
- 21 Global Navigation Satellite System (GNSS): No significant progress on implementation of the project was reported by SADC.
- 22 Cooperative Development of Operational Safety and Continuing Airworthiness Programme (COSCAP): SADC is carrying out a needs assessment through a Task Force as well as reviewing the COSCAP proposal.
- 23 Southern Africa Power Pool (SAPP): The SAPP is now fully operational with its operational centre located in Zimbabwe and 20% of all power transactions in the region are undertaken through the power pool arrangement.

The main issues remaining to be addressed are: (a) the lack of access of some countries to the regional grid and insufficient power transfer capacity to maximize the benefits of regional power trade; (b) the need to develop a fully functional Coordination Center of the SAPP; (c) the need to increase trade on the short-term energy market; (d) the lack of a clear framework for private sector participation in regional power operations; and (e) the harmonization of regulation affecting cross-border power trade as the national utilities embark on a reform process.

The countries concerned are working with the World Bank to prepare a project, the first phase of which would comprise: (a) the upgrading of the SAPP Coordination Center (US\$ 3.4 million, financed by bilateral grants from USAID, NORAD and SIDA); (b) The feasibility study of the transmission line from Zambia to Tanzania (about US\$ 1 million, financed by IDA), and (c) the strengthening of the transmission corridor from Inga to the SAPP (US\$ 182 million out of which IDA would provide US\$ 174 million and the Government of the DRC the remainder). The portion in Zambia, outside this project, would amount to about US\$ 20 million financed by CEC.)

Subsequent phases are expected to cover:

- The transmission line and the associated substations to connect Malawi to the SAPP through Mozambique. (The cost of this would be about US\$ 87 million of which IDA would provide US\$ 62 million and NORAD and the two Governments would finance the remainder.);
 - The additional strengthening of the transmission corridor from Inga to the SAPP (330 kV line). The cost of this would be about US\$ 42 million of which IDA would provide US\$ 40 million and the Government the remainder;
 - The remaining priority investments in the SAPP, for example the Zambia-Tanzania interconnector if the feasibility is proven by the study financed in the first phase.
- 24 SADC Regional Information Infrastructure (SRII) Project: The first phase of the SRII had been completed and presently 75% of the original project scope has been completed. Difficulties are being experienced in Zimbabwe, Malawi and Zambia for the total reali-



sation of inter-connection of the countries within the region.

- 25 ICT Policy and Regulatory Framework at Regional Level: SADC is far ahead in the harmonisation of policies and regulations for the telecommunications sector with the establishment and operationalisation of TRASA. SADC is in the process of implementing a number of new initiatives to enhance the project within the SADC region.
- 26 Continental Umbrella Initiative to Facilitate the Utilization and Exploitation of ICTs in African Countries: SADC has developed a number of initiatives to deepen ICT diffusion in the region as contained in the proposal set out in item 5 (a). NEPAD/AfDB will review this for assistance in sourcing financial support for their implementation.

2.1.7 UMA

2.1.7.1 Institutional Progress

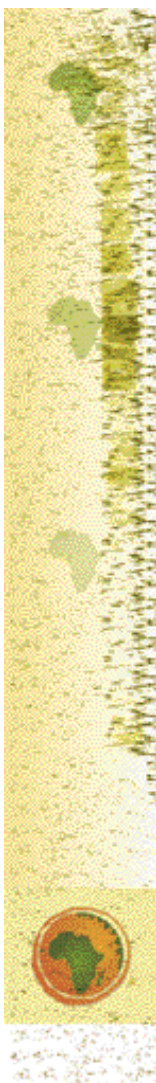
In July 1990, UMA member countries adopted a common strategy for development that defines the basis of economic solidarity within the region with the aim of creating: a) a free trade area for all the products and services originating from the region b) a customs union and a Common Market, and c) finally, an economic union being the last stage of the integration process.

In 1990 UMA adopted conventions relating to surface transport and transit insurance/reinsurance. These consist of various programmes in basic infrastructures aimed at reinforcing transport and communication systems in the region. In 1991 UMA adopted a Convention on tariffs, which recommends the application of the rules of the free trade for products originating within the region.

Finally, in 1993, UMA adopted a Convention relating to the exchange of agricultural produce within the region with the objective of promoting the agricultural potential of the region and of supporting the flow of basic agricultural produce in the region to ensure food security.

2.1.7.2 Progress on Projects

- 1 Institutional Support for the Implementation of the Yamoussoukro Decision: Countries of the UMA region are making significant strides in the liberalization of air transport within the region. UMA has been working jointly with its member countries in the realization of the above project. The project is among the priority list of projects identified by UMA for the medium and long-term action program. A meeting of UMA member countries to review and develop an implementation schedule is planned for the middle of May 2003.
- 2 Implementation of a Global Navigation Satellite System (GNSS): There already exists a system within the region.
- 3 Feasibility Study of the Trans-Maghreb Railway: UMA confirmed this project as one of the priority projects for the region. UMA is in the process of sending an official request



to the AfDB to assist them in the development of detailed terms of reference as well as financing the study.

- 4 Strengthening of Algeria-Morocco-Spain Interconnection Project: The realisation of the electrical power interconnection at 400 Kv level between Morocco and Spain, and Morocco and Algeria was launched in October 2001. Invitations to bid were sent out during the 2nd half of 2001. The project is moving into its full implementation stage and is to be completed towards the end of 2005.
- 5 Algeria Gas-Fired Power Station and Algeria-Spain Interconnection Project: This project is not being implemented under UMA auspices. However UMA is following up its implementation and is keen to provide assistance through NEPAD by promoting the project. The authorities in Algeria have established a company called the Algerian Energy Company (AEG) to assist in the implementation of the project. AEG will represent the Government of Algeria in dealing with the execution of the proposed project. Other players in the project include SONELGAZ (Algeria) and RED ELECTRICA (Spain). SONELGZ is responsible for the generation, transmission and distribution of electrical energy, and public distribution of gas in Algeria while RED ELECTRICA is in charge of the Spanish transmission grid and operation of the electricity system. At the request of SONELGAZ and RED ELECTRICA, AEG has already undertaken the feasibility study for the proposed 2000 MW power plant to be established under the project. Through AEG, the Government of Algeria intends to award a Build, Own, Operate and Transfer (BOOT) concession to a developer through companies established in Algeria specifically for the implementation of the project. In this regard, two companies are envisaged, one in generation and the other in transmission.
- 6 Tunisia-Libya Gas Pipeline Project: A techno-economic feasibility study was undertaken in 1996-1998. The project will be implemented between 2003-2007, over a period of 42 months after the funding is put in place. There is a need to have an MOU ratified by the parliaments of Tunisia and Libya and, once this is done, a company to implement the project will be formed. The utilities of the two countries will sign the gas conveyance agreement with the company and the gas purchase agreement between themselves. Currently there is no role for UMA in the implementation of the project, but future involvement will include mobilizing resources for the project. UMA has shown interest in playing this role through NEPAD.
- 7 Nigeria-Algeria Gas Pipeline Study: The study is to be jointly executed by the governments of Nigerian and Algeria, with the assistance of external consultants. The power utilities of the two countries will form a Study Implementation Unit (SIU) composed of experts from each utility to supervise the study. Currently UMA is not playing any role in the implementation of the study, but future involvement will include mobilizing resources for the development and subsequent implementation of the project.
- 8 ICT Policy and Regulatory Framework at the Regional Level: UMA reported that there is a central body concerned with the harmonization of telecommunications regulatory systems in the region. This body is the one that has the responsibility for the activities envisaged in this project.



9 Priority Projects Submitted for Inclusion in STAP: In line with the framework of the NEPAD STAP, UMA recommended the following new projects for consideration and inclusion in the STAP.

- a) Maghreb Highway Project;
- b) Feasibility Study of the Trans-Maghreb (High Speed) Railway System;
- c) Maghreb Fibre Optic Telecommunications Interconnection Project.

It was agreed that UMA would submit detailed project briefs for review by NEPAD/ AfDB and subsequent inclusion and prioritisation of the projects in the STAP.

2.1.8 Progress on the Infrastructure Technical Assistance Facility

Some of the demands arising from the NEPAD Programme will be met through its existing capacity and support mechanisms. However, existing capacities and resources will not be sufficient and need to be supplemented in order to enable the RECs and implementing agencies to take initiatives and to act in a timely fashion to get programmes underway, to address issues and to respond to demands and opportunities. This is important with respect to the identification and obtaining of the resources to carry out requisite analytical work to conceptualise projects and to build consensus through well-organized consultations. A number of funding agencies are willing to finance such activities, but securing such funding is time-consuming for the RECs, many of whom are not well aware of what is available.

In order to meet this need the AfDB recommended that NEPAD pursue the establishment of a facility to provide technical support and facilitation services to the RECs and the technical implementation agencies. The facility is expected to be useful in speeding up project planning, preparation and implementation. The specific activities to be supported by the facility and the detailed arrangements for its management were discussed with a Canadian team that visited the AfDB in April 2003.

The facility would use various mechanisms to pursue its objectives, such as: technical assistance to specific projects/programmes; identifying, disseminating and promoting best practices; building consensus for appropriate decision-making at the sub-regional or regional levels; and designing and implementing specific programmes. The mechanism of intervention would be determined by the demands emanating from RECs and technical agencies.

Specifically, the facility would finance:

- Regional coordination and joint action: exchanges among RECs consensus-building, brokering of agreements, sector peer review;
- Technical advice: implementation of conventions/protocols, assessments, programme planning and implementation, institutional capacity building;
- Knowledge Sharing and Networks: benchmarking, policy agenda, good practices, exchanges, study tours; and
- Support to PPP: Complimenting and reinforcing support activities and programmes that promote private infrastructure by RECs or technical agencies responsible for specific projects and programmes.

The Canadian Government has approved a C\$ 10 million facility to be managed by the AfDB. The AfDB is of the view that the size of the facility should be increased and will be inviting other funding agencies to contribute.

2.2 Update on STAP Projects

By and large, the RECs have not seen any need to make substantial changes to their STAP programmes. In a very few cases, projects have been withdrawn, but this is the exception rather than the rule.

Some RECs have proposed the addition of new STAP projects. For the most part, these are project ideas for which project briefs have yet to be prepared or the projects have not yet been evaluated. Thus, it was not possible to judge whether or not they should be included in the STAP. In such cases, the RECs have been invited to prepare project briefs so that the projects can be evaluated as to their suitability to be included in the STAP.

Overall, the list of STAP projects remains essentially unchanged from a year ago.

2.3 Priorities

When invited to fund the STAP, most funding agencies have expressed a desire to understand better the priority that the RECs and NEPAD attach to the different projects in the STAP. When funds are limited, funding agencies wish to ensure that the available funds go to the priority projects. In order to respond to this request, the consultations with the RECs sought to obtain the priorities as expressed by the RECs themselves.

This exercise has not been without difficulty. Some RECs have been able to prioritise their STAP projects. Others have claimed that all their projects are high priority. Whether this is because they have already eliminated the lower priority projects or because they have not given enough attention to the need to be more precise in priority setting is hard to determine. The problem is compounded by the lack of capacity in some RECs. A project may be judged to be high priority, but the RECs may not have the capacity to move it forward. In such cases, it is tempting to conclude that, because a REC has not made any progress on a project, that the project is not of high priority; that would be a mistake.

Thus, any attempt to place priorities on projects is fraught with difficulty and risks penalising certain projects just because the criteria are not consistently applied.

In the light of these difficulties, a two-stage approach has been adopted to setting priorities.

- First, the team that carried out the consultations, together with AfDB and NEPAD Secretariat, have indicated the top twenty priorities from their assessments and expe-



- rienced points of view. This reflects the consensus judgement of experienced professionals in infrastructure in Africa and may serve as a basis for the NEPAD Secretariat to indicate to funding agencies the highest priority projects and programmes;
- Second, the table in Annex 1 shows the priorities as expressed by the RECs. This list would also be given to key funding agencies as a basis for them to draw their own conclusions as to what they would like to support.

The NEPAD Secretariat and the AfDB would devise a better process for expressing and reaching judgements on priorities, so that a more robust exercise can be carried out at the time of the 2004 STAP review.

2.3.1 The “Top Twenty” Priorities

The table below shows the twenty projects that the team of experts recommends as the highest priority projects. This will serve as guidance for the NEPAD Secretariat on key focus areas in infrastructure development for the next twelve months and to promote actively with the financing community. The starting point for the selection process was the selection criteria for the STAP, namely:

- Projects that are at an advanced stage of preparation and that can be fast-tracked;
- Projects that support both a regional approach to infrastructure provision and regional integration;
- Projects that have stalled for political reasons and where NEPAD’s intervention could be expected to make a difference;
- Initiatives that offer solutions to regional policy, regulatory or institutional blockages to regional infrastructure activities; and
- Projects that respond to the involvement of the private sector in infrastructure provision.

The initial selection of projects largely reflected these criteria. But it has become apparent over the past year that, while the list of NEPAD projects was useful to the RECs in their activities it was too large to serve as a useful tool for guiding NEPAD interventions.

To remedy this situation, the team of experts assembled by the AfDB was asked to select a list of twenty projects that could be regarded as the “top priority” for both NEPAD and the financing community. They would, in effect, constitute a watch list that would be tracked and reported on regularly.

TWENTY TOP PRIORITY STAP PROJECTS
(in no particular order of priority)

PROJECT (SEE STAP FOR DETAILS)	CLASSIFICATION	PROMOTING AGENCIES	COMMENTS
FACILITATION			
Implementing the Yamoussoukro Decision	Continental	All RECs	Includes implementing the decision itself, plus COSCAP, Upper Air Space Control and



			Global Navigation Satellite System
Facilitating Road Transportation	Continental	All RECs	Includes Facilitation of Road Transport, Overload Control, Common Border Posts and Strengthening Stakeholder Associations for Trade and Transit Facilitation
ICT Policy/Regulatory Frameworks at Regional Level			
	REC	Individual RECs	
Power Pools (West and Southern Africa, etc)	REC	Individual RECs	
Nile Basin Initiative	Non-REC	NBI Institutions	
IGAD Hydrological Cycle Project	REC	IGAD	
STUDIES			
Greater Inga Integrator Study	Continental	RECs	
Trans-Magreb Railway Study	Country- Country	UMA	
Power Interconnections in East, Central and West Africa	REC	RECs	
CAPACITY BUILDING			
Establish Regional Linkages for African Energy Commission	Continental	RECs, AFREC	
Capacity-building for RECs **new**	REC	All RECs	
INVESTMENT PROJECTS			
West Africa Gas Pipeline	REC	ECOWAS	
Kenya-Uganda Oil Pipeline	Country-country	EAC	Feasibility study completed and project found viable and financing is being sought
COMTEL	Country-country	COMESA	Negotiations with SEP ongoing and expected to be concluded May 2003 NTO's required to remit share subscriptions by July 2003
Mombasa Port Container Facilities	Country-country	EAC	Feasibility study conducted already by Japanese and the Project found viable. Terminal designed for 250,000 TEUs but now operating above capacity at 320,000 TEUs
Mepanda Uncua Power Project	Country-country	SADC	
Fougamou-Doussala Road Project	Country-country	ECCAS	- High Economic return - Study available and current
Kati-Saraya Road Project	Country-country	ECOWAS	
EAC Northern Corridor Road Project	REC	EAC	It is a rail/road project. Feasibility study carried out already by World Bank. Project found viable and the World Bank is already involved in implementation of the roads component
Mamfe-Enugu Road Project	Country-country	ECOWAS	



In addition to the selection criteria in the STAP, projects were included in the 'top twenty' list because they were ones which:

- Strengthen sector governance arrangements;
- Enhance governments' capacity for policy making, effective regulatory oversight and monitoring;
- Establish regulatory frameworks that foster competition and support the emergence of regional markets for transport services;
- Focus on issues whose solutions depend on regional cooperation and implementation of regional projects;
- Support policy and institutional reform so as to create an enabling environment for competition and investment;
- Capacity building related to regulatory oversight, monitoring and participation of business organisations and professional associations;
- Represent selected physical projects for which studies are available;
- They are projects that remove bottlenecks and fill gaps in regional infrastructure networks; and
- Studies to prepare additional further projects of great regional importance.

It is believed that twenty is a number that gives scope for a reasonably broad range of activities, while remaining manageable. It is not surprising that it contains a number of projects of continental scope, since they provide the best opportunities to create a broad regional impact. The remaining projects are those that are judged to have the most important regional impact, combined with a reasonable chance of being successfully carried out. Making the selection was not an easy task and it is likely that it may not meet with the agreement of everyone. Nonetheless, it is strongly believed that they are the projects that best represent what NEPAD stands for, that they are the projects that could make the greatest contribution to regional integration on a broad scale and that they will constitute vehicles for NEPAD and the funding agencies to interact in a more practical and productive way.

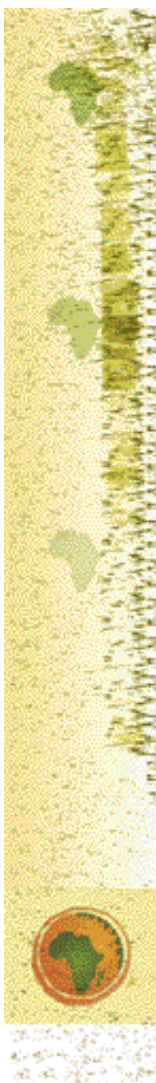
2.4 Constraints/Shortcomings

In this section, an examination of what the consultations with the RECs have revealed regarding constraints³ to the effective implementation of the STAP is presented.

2.4.1 Lack of clarity as to what NEPAD really is

In order for the RECs to play an effective role in coordinating the implementation of the STAP, it is essential that they have a clear idea of what NEPAD really is, what it intends to achieve through the STAP and what contribution it will make itself towards the implementation of the STAP. Despite efforts by the NEPAD Secretariat, consultations with both the leadership structures of the RECs and with their infrastructure staff have revealed that there is lack of clarity on this point. Some seem to believe that, once a project has been included in the STAP, responsibility for its implementa-

³ It should be noted that we have not focused on one constraint that was identified at the time of preparation of the STAP, that is, instability in certain regions; there is no doubt that this factor has hampered the ability of certain RECs to make progress on the STAP.



tion passes to NEPAD. Others believe that NEPAD will be responsible for identifying and acquiring funding for the projects and studies involved; they speak of submitting funding requests to NEPAD. Others believe that the normal “rules of the game” for obtaining funding from bilateral and multilateral funding agencies have somehow been suspended with the effect that special – and in the view of some RECs – more relaxed funding conditions now apply and that there are special, additional sources of funds for NEPAD. Much more needs to be done to ensure that NEPAD is better understood and internalised in all the RECs.

It should also be noted that there is some confusion in the RECs – and in the donor community – regarding the respective roles of NEPAD and the AfDB in the context of implementing the Infrastructure STAP. In one sense, this confusion is surprising, since the original documentation for NEPAD, and indeed the preamble to the STAP itself, are quite explicit that NEPAD is intended to play a facilitating role with respect to mobilising political will within Africa and technical and financial support outside Africa. In another sense, this is not surprising at all. Experience in many fields has shown that new programmes and procedures are notoriously difficult to inculcate in organisations. People tend not to absorb what they hear in seminars and speeches and what they read in documents the first time around. Indeed, many people do not read documents carefully.

The consultations with the RECs revealed that there are still REC infrastructure staff that are not fully aware of the contents of the STAP. Jack Welch, the former CEO of GE corporation, used to say that, to bring about institutional change, the leadership has to be relentless and boring in transmitting information regarding changes!

If it is difficult to transmit information and to ensure that it is absorbed in a single organisation, it is bound to be much more difficult in the context of a programme that involves multiple players at different level – Countries, RECs, African technical institutions, not to mention a plethora of foreign partners. Moreover, the NEPAD leadership, Heads of State and the Secretariat, have of necessity been preoccupied with ensuring that NEPAD was understood and well-received outside Africa in order to obtain the backing of the international community.

The NEPAD Secretariat would intensify its efforts to:

- **Clarify for RECs and countries the role that NEPAD expects to play in the implementation of the STAP with regard to mobilising political will and facilitating the obtaining of donor support and financing.**

2.4.2 Lack of clarity as to what is expected of the RECs and Countries

Although NEPAD may have expected the RECs to play a leading role in the coordination and implementation of the STAP, the consultations have revealed that there is still a good deal of confusion on this point, both at the level of the leadership and the infrastructure staff. Whether this is due to a failure to communicate at the top level or a lack of internal communication of messages within the RECs is difficult to say. What is clear is that a major communication effort is needed to rectify the situation.

The result is that the RECs have been slow to formalise their activities with respect to NEPAD. As an example, it may be noted that, as far as we can tell from our consultations, ECOWAS



is the only REC where the Heads of State have formally designated ECOWAS as being responsible for coordinating the implementation of NEPAD programmes and liaising with the member states on NEPAD, where ECOWAS itself has diagnosed the changes in its operations that this will involve and developed a capacity-building programme to respond to the increased workload, for which it has obtained the support of the donor community.

The NEPAD Secretariat would intensify its efforts to:

- **Clarify for RECs and countries the role that NEPAD expects them to play in the implementation of the STAP with regard to identifying and preparing projects, mobilising funding and carrying out projects; and**
 - **Encourage the RECs to establish formal procedures to deal with NEPAD;**
 - **Encourage Heads of State to formalise arrangements for NEPAD coordination in their respective regions.**
- Below, we present some ideas as to how this might be achieved.**

2.4.3 Lack of definition regarding linkages between Countries and RECs

STAP activities involve actors at a number of levels. In some cases, the two or three countries concerned would carry out the STAP projects; in some cases, the RECs will be involved because the implications of the project go beyond the specific countries involved. So far, inadequate thought has been given as to how REC/country relations will be managed. The result is that, on the one hand, countries are carrying out projects that should be in the STAP without the REC being aware of or involved in them; on the other hand, some RECs are promoting projects for which they do not have the buy-in of their member states. Modalities need to be set up to provide a vehicle for improving communications and harmonising project activities. The Heads of State of ECOWAS have invited the member states to establish NEPAD co-

NEPAD would intensify its efforts to encourage the RECs to:

- **Establish procedures for coordinating with the countries to ensure that the countries are well aware of the challenges and opportunities of NEPAD;**
- **so that both countries and RECs can play their proper roles and maximise synergies.**

Once completed, the ECOWAS study would provide useful insights as to how this might be done that could be helpful to the other RECs.

ordination units in each country. However, the countries are setting them up in different ways and sometimes without attention to the relationships that the NEPAD units would have with the existing (but not always well performing) ECOWAS coordination units. ECOWAS is about to undertake a study to examine how these different units might be harmonised and made effective.

2.4.4 Overlapping REC responsibilities

One issue that tends to hamper STAP implementation is the overlapping of responsibilities of different RECs, combined with the fact that some countries belong to more than one REC. Examples are UEMOA and ECOWAS in West Africa, CEMAC and ECCAS in Central Africa and COMESA, SADC, EAC and IGAD in Eastern and Southern Africa. The RECs may either duplicate each other's

The NEPAD Secretariat would encourage the overlapping RECs to

- **jointly examine their programmes with a view to identifying:**
 - **Areas where one REC has a clear comparative advantage and can play a leading role;**
 - **Areas where both have capacity and joint programmes can be developed; and**
 - **Areas where neither has capacity and it needs to be developed or an alternative technical partner found.**
- **Set up set up explicit joint teams and joint programs in areas where both intend to work on a topic.**

activities or fail to deal with issues, believing that another REC is taking care of them. Either resources are wasted or opportunities are missed, neither of which is desirable in a continent starved of resources.

2.4.5 Failure by RECs to keep abreast of “NEPAD-type” programmes in which they are not directly involved

Comparing the programmes and projects that are being put forward by the RECs during the consultations with the general knowledge of the consultants of the infrastructure scene in Africa reveals that there are important programmes and projects being undertaken of which the RECs are unaware or, at least uninformed.

In some cases, notably in the area of Integrated Water Resource Management or shared river basins, larger groups of countries have made progress on cooperative programmes without any involvement from the respective RECs. An example is the Nile Basin Initiative, which has established its own governance and management structures, has attracted substantial donor support and has begun to make progress on identifying and promoting investment opportunities. This is, in effect, an example of a NEPAD project that is being developed without the active participation of the RECs or of NEPAD. Progress along the same lines is appearing in other African shared river basins, supported by funding and technical assistance from the World Bank and other funding agencies.

In the Maghreb, there are a number of projects in the gas and power sectors that are being developed by the countries involved with private partners on which UMA has little or no information. This is a problem because it means that NEPAD-type projects are being undertaken in such a way that NEPAD is unable to include them in its programmes, thus losing an opportunity to present a more comprehensive NEPAD programme to both the donor community and the citizenry of Africa.

One response to this kind of situation is for the RECs to seek to develop the capacity to get involved in or even to try to take over the project. This would be a mistake. Where things are working well and where it would be a challenge for the RECs to develop the required capacity, a division of labour should be considered that could allow the programmes to move ahead under their own steam, with the RECs obtaining enough information to be able to be knowledgeable about the projects and to maintain a watching brief so that they can be available to be called upon for assistance if and when the project promoters may find it necessary.

In addition, there are a number of donor-sponsored initiatives that cut across NEPAD programmes. A good example is the Sub-Saharan Africa Transport Program (SSATP). This programme supports activities especially in the area of road management through its Road Management Project. Any attempt to build or rehabilitate roads in Africa is of necessity dependent on the establishment of



adequate road maintenance programmes and axle load controls; these are the programmes that SSATP promotes. Similar programmes exist in other sectors.

It will be important that NEPAD and the RECs, in developing their own programmes, take account of these programmes the facilities that they offer without compromising their role as focal points for ownership and coordination of the NEPAD programme.

The NEPAD Secretariat would encourage the RECs to:

- **identify programmes for which alternative technical agencies can provide leadership, permitting the RECs to concentrate their scarce resources on technical areas where no alternative source of expertise exists;**
- **include such programmes and projects in the STAP;**
- **establish procedures for liaising with these agencies to ensure that the RECs are well informed regarding the programmes and projects that are being undertaken in their areas of influence.**

2.4.6 Lack of alignment of REC programmes and NEPAD priorities

The issue identified here is that the RECs already had work programmes before NEPAD was devised. In order for the RECs to play their designated role with respect to NEPAD, it is important that the REC programmes are aligned with the NEPAD programmes. In some cases, e.g., in the case of ECOWAS, it has been determined that the ECOWAS programmes and the NEPAD programmes are congruent and ECOWAS is in the process, with donor support, of hiring a NEPAD Coordinator and a Corporate Planner. The objective is to re-assess ECOWAS' programmes to ensure that scarce resources go to ECOWAS activities that support the NEPAD agenda, rather than to "legacy" programmes – those that are

being undertaken for historical reasons, but which are not NEPAD priorities.

This is particularly important since some RECs are still working on programmes that derive from Heads of State and ministerial resolutions that can be up to 20 years old, but which are no longer a priority in today's circumstances.

The NEPAD Secretariat would

- **encourage the RECs to:**
 - **Take steps to align their programmes with NEPAD priorities;**
 - **Undertake a review of "legacy programmes" to ensure that resources are not being devoted to non-priority programmes;**
 - **approach their authorities – Heads of State or Ministers – to validate any re-alignment of priorities.**
- **encourage Heads of State and Ministers to promote such an exercise.**

2.4.7 Lack of financial and technical capacity in the RECs

One feature of the consultation with the RECs is that they are, without exception, suffering from a chronic shortage of financial and human resources. This is due to a variety of reasons that vary in severity across RECs. Nonetheless, it is fair to say that all RECs face each of these problems to a greater or lesser degree. First of all, most RECs have inadequate funding mechanisms. Some have Community Levies that entitle them to a predetermined share of customs or other reve-

nues; others have to depend on budgetary allocations from their member states, many of who are themselves in a parlous state and cannot pay. The result is that many RECs have been subject of hiring freezes and/or have had to let staff go. Even where the budgetary situation is not too bad, salaries are often too low to attract and retain high-quality staff.

Second, as has been discussed above, some RECs are trying to undertake over-ambitious work programmes, usually representing the accumulation of a multiplicity of unfunded mandates from their political authorities that have accumulated over many years but that have not been reviewed for relevance in present day circumstances.

Third, due to hiring freezes and a lack of skills training and updating⁴, many of the staff in the RECs lack the skills to deal with the complicated issues that are to be found in today's infrastructure arena. They may be good port or energy engineers, but today's projects require a knowledge of public-private partnerships or negotiating complex concession agreements; they may be good transport economists, but today's transport activities are focused on facilitating road transport; they may be good water engineers, but today's NEPAD projects are focused on the Integrated Water Resource Management approach to shared water basins.

Finally, most RECs suffer from a plethora of out-dated bureaucratic procedures and a lack of modern technological tools. Cases have been reported where REC staff have to go to Internet cafés to send e-mails to their donor partners because their systems and networks are outdated and break down frequently.

Under these circumstances, staff morale and productivity are, for the most part, low and the RECs are encountering real difficulties in carrying out the important responsibilities that have been assigned to them under NEPAD. An urgent program of budgetary reform, staff hiring and staff training, together with short-term support from contract consultants, is required to enable the RECs to perform up to the standard they themselves seek to achieve.

The NEPAD Secretariat would:

- **encourage Heads of State to ensure that the RECs have adequate resources to meet the responsibilities that the Heads of State expect them to perform under NEPAD;**
- **use its good offices to influence Ministers of Finance to meet their financial obligations to RECs;**
- **encourage the Heads of State and Ministers to avoid assigning unfunded mandates to the RECs;**
- **encourage the RECs to develop financial and human resource development plans to meet the additional requirements of NEPAD;**
- **encourage the funding agencies to do everything possible to support the RECs in this endeavour.**

2.4.8 Inadequate knowledge and cooperation on shared Water Resources Issues

More than sixty international rivers traverse the continent of Africa. Africa has more rivers shared by three or more countries than any other continent. Sixty percent of the continent is

⁴ Not to mention the problems caused by the hiring practices of many RECs that are obliged to accept staff seconded from governments who, while perfectly capable in their own fields, may find themselves assigned to positions for which they do not possess the relevant skills.



covered by transboundary river basins and about a third of population lives under water scarcity situations. The water resources of the continent clearly need to be developed to meet the needs of the continent. As a consequence, water resources management, in particular the management of shared water resources, is a big challenge in Africa. The consultations have revealed that most RECs have not developed programmes in the water sub-sector even though NEPAD accords a very high priority to the sub-sector and has, itself, identified the key elements of regional strategies and policies and a regional water programme in line with the Africa Water Vision for 2025. Many of the RECs do not have the capacity to look into river and lake basin issues. The few river basin organizations that exist have capacity problems. Moreover, cooperation in international waterways is fundamentally a political activity.

Programmes of continental significance designed under the overall framework of the NEPAD programme is the effort to establish the African Water Facility, which seek to mobilize significant grant resources for capacity building and investment support in the water sector for implementing the MDGs. The Facility is expected to be hosted in the Bank. The diagnosis of opportunities and constraints in agricultural water use in Africa with the objective of formulating investment strategies to

enhance financial support for agricultural water use has been launching under a collaborative programme between the AfDB, the World Bank, FAO, IFAD and IWMI. The field studies under this programme have commenced and expected to be completed in 2004 with the formulation of a joint approach on increased investment in the sector.

- **NEPAD together with AfDB would send missions to selected river and lake basin organizations to carry out discussions and consultations and identify activities that can be included in NEPAD's STAP.**
- **The cooperation of other development institutions, such as the World Bank and DBSA, would be sought by AfDB and encouraged by the Secretariat in this endeavour.**
- **NEPAD and the AfDB would monitor on a regular basis the implementation of the African water facility and the Agricultural Water Use Strategy.**

NEPAD can play a significant role

in creating the political awareness of the potential gains of co-operative river and lake basin management for broader regional cooperation.

2.4.9 Summary of lessons learned and recommendations

2.4.9.1 Findings

The key findings of the consultations are as follows:

- Progress has been made, although it varies substantially across RECs;
- The last year's activities have provided a rich source of experience from which much can be learned regarding how to improve the implementation of the STAP; and
- Much more would be achieved as we intensify our efforts to remove the constraints to effective implementation.

2.4.9.2 Recommended Actions

- a) There is a need to provide much greater clarity on roles, responsibilities and expectations:

- The NEPAD Secretariat would intensify its effort to clarify to the RECs and the countries precisely its role in promoting and facilitating NEPAD programmes;
 - The Secretariat would also clarify precisely what it expects from the RECs.
- b) There is a need to be much more explicit about the relationships between the RECs and the countries, how they should inter-relate in project implementation:
- The NEPAD Secretariat would take the lead in opening a debate on these issues:
 - The need to eliminate the overlapping responsibilities between RECs;
 - The need, where this has not been done, for the Heads of State to formally designate responsibilities for NEPAD coordination;
 - The need for the RECs to re-align their work programmes with NEPAD priorities; and
 - The need for the RECs to establish their priority activities, while seeking as much as possible to delegate coordination and implementation responsibilities to either the countries or to other technical agencies.
 - The RECs should avoid trying to do too much;
 - The RECs should keep abreast of regional integration projects, even if they are not directly involved in them so that they have an overall picture of integration activities in their region:
 - There is a need for the RECs to undertake a capacity-building programme based on an analysis of their new NEPAD responsibilities; and
 - There is a need for the member States to ensure that the RECs are adequately funded and to avoid assigning unfunded mandates.

3 The Way Forward

3.1 The Principle of Subsidiarity

Given the need to maintain the NEPAD Secretariat as a lean organisation and that the RECs are short on capacity, the Principle of Subsidiarity would be explicitly adopted in the delivery of NEPAD programmes. This implies that NEPAD activities would be carried out by the agencies at the lowest level that is both effective and efficient.

This principle would apply at two different levels. First, NEPAD projects would be classified according to the level at which they would be implemented and the specific roles and responsibilities for each level of the classification would be explicitly defined; second, higher level entities would only get involved in the event that problems or issues arise that could not be dealt with at the lower level. Such a procedure would provide a structure both for achieving greater clarity on expectations and for economising on the time and effort that each level would have to devote to NEPAD projects and programmes, by limiting interventions to those that would be strictly necessary.

