

For Official Use

SAH/GMAP(2000)5



Club du Sahel
Organisation for Economic Co-operation and Development

OLIS : 02-Nov-2000
Dist. : 07-Nov-2000

Or. Fre.

CLUB DU SAHEL

Ministerial Lobby Group

**DISCUSSION PAPER PROPOSED ON THE BASIS OF THE CONTRIBUTION
MADE BY THE GROUP OF AFRICAN MINISTERS AT THE YVERDON
CONFERENCE**

Secretariat of the Club du Sahel

Declassified

97376

Document complet disponible sur OLIS dans son format d'origine
Complete document available on OLIS in its original format

SAH/GMAP(2000)5
For Official Use

Or. Fre.

DISCUSSION PAPER PROPOSED ON THE BASIS OF THE CONTRIBUTION MADE BY THE GROUP OF AFRICAN MINISTERS AT THE YVERDON CONFERENCE

Secretariat of the Club du Sahel

Introduction

The African Ministers who attended the Club du Sahel Conference at Yverdon in September 1999 tabled, for discussion, a contribution confirming the establishment of a High-level West African Lobby Group of the Club du Sahel. These high-level officials expressed their intention to ensure that:

- The activities of the Club reflect the political priorities expressed in the region;
- A continuing informal dialogue is developed with aid donor countries.

To that end, they hoped that a standing ministerial group could be formalised (hereafter referred to as "The Group" or HWALG).

The purpose of this paper is to prepare the first post-Yverdon meeting of the Group. It also sets out — based on the proposals made at Yverdon by the African Ministers and the ensuing debates — the major points of discussion and proposes working methods. The conclusions of Yverdon can be grouped in five topics:

1. Food security at Bamako 2000;
2. An ambitious project for the region;
3. Improving aid practices;
4. The regional dimension of development and aid;
5. Membership, position with respect to government structures and role of the Group.

Proposal No. 10 for the integration of environmental protection programmes into the investment portfolio financed under the HIPC initiative was not integrated into this discussion paper because it is of a very specific nature.

1. A Special Place for Food Security at Bamako 2000?

The debates on the High-level West African Lobby Group's (HWALG) note confirmed the Ministers' intentions regarding the role of CILSS in its traditional mandates, i.e. food security and natural resource management but with the broader objective of modernising West African agriculture. Capitalising on the achievements and technical networks of CILSS and the Club in that area, allowing for quick progress in the assessment and proposals, the HWALG could use a broadened definition of food security as an example of how the Group could push for visions of the future with concrete actions. Food security indeed touches on many key issues mentioned in the HWALG's note:

- Production still varies considerably from year to year: food security and increased investment in agriculture presupposes a reduction in risks, first and foremost through improved water management which covers, at the moment, only 3 per cent of cultivated areas in the Sahel (proposals 6 and 9) and a better preservation of the environment's productive capacity (proposal 10).
- Recent studies show that agricultural and food products are increasingly crossing borders. Thus, food security can no longer be managed exclusively at the national level. The establishment by the West African Economic and Monetary Union (WAEMU) of a Common External Tariff (CET) supports this integrating trend. It presupposes a vision of long-term regional food market trends as well as the establishment of a dialogue between the private sector, WAEMU and CILSS (proposal 8)
- Studies show that, even though significant progress has been achieved to increase food supply, many problems with respect to the capacity of people to access markets to buy food need to be resolved. This raises the challenges of economic growth and income distribution that call for long term solutions (proposal 5).
- Given domestic liberalisation and growing regional integration, the role the State should play to enhance food security is bound to shift considerably, particularly through increased co-ordination of the activities of various actors. This can be linked to proposal 4 of the Group.

Approaches to be explored

Based on the know-how of CILSS and the Club in food security matters, the HWALG could examine how to develop a medium-term vision leading to a series of practical recommendations to be submitted to the Heads of State at the Bamako summit.

2. An Ambitious Project for the Region

Proposals No. 5 (a Marshall Plan by the year 2025) and No. 6 involve political determination to shift to a regional focus (establishing regional funds in the context of this Marshall Plan).

Does the "*Marshall plan*" concept mean defining an ambitious project for the region?

During their discussions at Yverdon, the Group of Ministers themselves suggested to no longer use the term "*Marshall Plan*" while re-affirming its underlying principle: the need to define a challenging vision for the region drawing from the proposals made by the Group in the introduction to their statement: the need to assess the "*current situation of the Sahel in light of the international environment*", while firmly grounding discussions in the West African region: "*the Sahelian region will from now on, have to be perceived through the dynamics of its history, the extent of migratory flows and the constraints of its isolation*". The Group should say clearly if it intends to develop a long term vision which could give concrete expression to the "contract of generation" called for in Banjul in 1997. If that was the case, this means first that the vision and strategy do not yet exist or, if they do exist, require further refinement.

Approaches to be explored

The Group could lead a regional medium-term perspectives study taking into account (and relying on) previous work:

- *The most recent exercise of this kind is "Sahel 21" (1997): the main result of this process was a definition of priorities defined by various groups of Sahelians;*

- *The "WALTPS" study (1994) proposes an image of West Africa by the year 2020 which emphasises the profound changes in settlement patterns in the region (migration, very rapid urbanisation and higher rural population density), its integration into the global market place and increasing economic and social competition;*
- *The study on the "Sahel Facing the Future" (1987) presents various scenarios for Sahelian countries by the year 2010; it shows that the most likely scenario is one of increasing and unsustainable dependency unless aid flows are increased significantly... ;*
- *The World Bank's LTPS study (1991) and the ensuing national prospective studies done with UNDP support in several countries of the region should be taken into account;*
- *Finally, the discussions which took place in the framework of the Economic Commission for Africa on new information technologies which may either increase the development gap between Africa and the rest of the world or, on the contrary, provide an opportunity for this continent to "catch up" to other continents.*

The Group could first build on these studies which have been largely ignored by high-level decision-makers. In the short term, it could draw from them possible directions based on the priority areas identified at Yverdon: 1) Agriculture, water management and environment; 2) land use planning, infrastructure and local development; and 3) knowledge management, technology, improved human resources. Recommendations covering these three areas could be presented to the Summit of Heads of State of Bamako 2000.

Problems linked to regional funds

During the Yverdon discussions, development co-operation agencies expressed their perplexity at the proposal to set up regional funds in several areas. This perplexity is undoubtedly due partly to the many important questions related to aid effectiveness:

- *Generally speaking, the quest for additional aid resources tends to hide the real problem of disbursing already committed aid; indeed, most countries of the region are "sitting" on very large aid pipelines.*
- *This difficulty of "aid disbursement" is especially severe with respect to regional funds and, more particularly, those available from the European Development Fund. Why is it that the countries of the region and their partners experience so many difficulties using regional funds? Is it because of a lack of dialogue or common vision? Is it linked to the weakness of the IGOs and their lack of credibility with member countries or donors?*
- *Are these regional funds too large and counter-productive? Do they really promote regional integration¹?*

Approaches to be explored

If the above analysis is considered relevant, then regional funds should be incorporated into a more comprehensive approach to address the regional dimension of development and aid. Such an approach would integrate proposals No. 8 (harmonisation of the mandates of Intergovernmental Organisations), No. 9 (setting up of a regional water council) and No. 1 (CILSS's capacity-building). We will come back to this subject in point 4 of this discussion paper.

1. Some experts think that regional funds should be drastically cut down and regional coherence of aid implementation in the various countries encouraged, since regional funds tend to divert attention from the coherence issue.

3. Improving Aid Practices

Proposals No. 3 (untying aid) and No. 7 (setting up of a consultation framework with the DAC on aid effectiveness and efficiency) logically complement proposal No. 4 (role of the State and other partners in the design, implementation and definition of a development strategy).

These proposals indicate the strong political will of African officials to weigh-in on the aid practices debate. They indicate doubts about:

- The willingness of co-operation partners to promote the use of local skills and goods through their practices;
- The willingness of co-operation partners to encourage subsidiarity between the State, local communities and civil society organisations in managing development.

During the debates in Yverdon, several representatives of co-operation agencies stressed that many studies on these topics are underway, particularly within the OECD's Development Assistance Committee, thus underlining the need to avoid "duplicating what others are already doing". The Group should therefore clearly state its strategy vis-à-vis the DAC. It could identify priorities or approaches which are not yet covered or are inadequately covered by the DAC or other forums dealing with aid reform.

Approaches to be explored

The Group could envision two lines of action which are not mutually exclusive:

- *Clarifying modalities for setting up a consultation framework on aid between African Ministers and the DAC;*
- *Supporting and co-ordinating, at the political level, a number of case studies (for instance: examining the extent of local firms' ability to win tenders for aid-financed contracts, monitoring aid reform in Mali, assessing aid to the agriculture-environment sector in Burkina, etc...).*

4. Regional Dimension of Development and Aid

Proposals No. 1 and 8 (building bridges among IGOs of the region and improving the capacity of CILSS), and No. 9 (Regional Water Council) show along with proposals No. 5 and 6 (Regional Marshall Plan) the clear priority given by the Ministers present at Yverdon to regional problems.

The Group could address the following issues relative to the regional dimension of development:

- Should priority be given to formulating a regional strategic vision based on existing work but not sufficiently developed (cf. point 2)? If the answer is yes, should the Group approach the IGOs of the region to help develop such a vision? Is the formulation of a common vision the most operational way to "build bridges" among IGOs and, later on, to re-define roles?
- From this viewpoint, the fact that Mali has the chairmanship of WAEMU and ECOWAS, and will soon take over the CILSS chairmanship is a historical opportunity. Does the Group intend to support Mali to take advantage of this opportunity, and if so, how?
- The African Development Bank is not included in the regional organisations mentioned by Ministers at Yverdon. What is the role of this regional development bank?

- Regarding the water sector more specifically, the Ministers' proposal to promote a regional approach is germane. Shouldn't the approach not only include the three major river basins already mentioned (Gambia, Niger and Senegal), but also the other river basins such as the Volta rivers or Lake Chad and the major sedimentary systems whose exploitation has barely begun. The analysis should also cover broader questions of water use for agriculture, urban areas and industry, the questions of energy and those relating to the environment? The issues at stake also include moving from administered agriculture to agricultural entrepreneurship, from priority to food security to that of capturing the regional market, from a sectoral approach to a decentralised, cross-cutting one? Which first step can the Group hope to make between now and Bamako 2000? Is it reasonable to produce a preliminary document based on existing studies (cf. point 2)?

As to the regional dimension of aid, the Group could ask for an analysis of regional co-operation practices in the major development co-operation agencies and how they could better support regional co-operation and integration objectives:

- Do regional aid instruments help to promote regional coherence in aid practices?
- Do aid procedures at the national level include validation tools for regional coherence?
- How have the major regional development funds been performing? What has been the sector focus? Do they correspond to clearly expressed political priorities in West Africa? Are these funds basically managed by IGOs or do they support ad-hoc bilateral or multi-lateral projects or programmes? How can disbursement difficulties be explained?

Approaches to be explored

The Group could envision one of the following working hypotheses:

- *Drafting a memorandum on the necessity of a regional strategic vision shared by the IGOs and based on already completed studies with the idea of redefining IGO's mandates. This memorandum could be submitted jointly, via the Gambian and Malian Chairs, to the Conference of Heads of State of CILSS and then to WAEMU and ECOWAS;*
- *Drafting a note for the conference of Heads of State of CILSS presenting the main challenges and difficulties linked to water in West Africa and an outline of a regional vision involving all the specialised organisations;*
- *Launching a critical review of regional development co-operation analysing the status of regional development funds.*

5. Membership, Links with Government Structures, Role and Operation of the Group

The African Ministers meeting at Yverdon recommended the "*creation of an institutionally formalised High-level West African Lobby Group (HWALG)*". The Group will have to clarify this goal; the following questions could be addressed during the discussion:

- Should the Group remain exclusively a Ministerial group or should it open up to other colleagues such as entrepreneurs, elected officials and representatives of other interest groups such as farmers' organisations, etc?
- What does the Group mean by "formalised"? Given that the Club du Sahel is an informal forum, is it necessary to formalise this Group? If so, how?

- How does the Group intend to interact with the IGOs of the region (WAEMU, CILSS, ECOWAS, river basin agencies...)?
- What objectives does the Group set for Bamako 2000 (subject of points II to IV of the present note) and how does it intend to organise itself in order to reach these objectives?
- Which tasks/Roles does the Group assign to the Secretariats of the Club du Sahel and CILSS to assist it?