



## **CHAPTER 5**

# **AFRICAN PEER REVIEW MECHANISM: A CASE ANALYSIS**

### **INTRODUCTION AND BACKGROUND**

As already stated, the African Peer Review Mechanism (APRM) is an instrument to monitor and evaluate the performance of African states in areas of political, economic and corporate governance. The idea of establishing an African monitoring mechanism came as a response to governance challenges and problems that the continent has experienced since the first phase of independence in the 1960s, and the subsequent political instability and poor economic performance. For many years, African states have relied on the outside world – bilateral, multilateral donors and development partners – to solve their governance issues. This approach has had limited impact, as political turmoil, poverty and underdevelopment continue to plague the continent. Faced with these challenges, African leaders initiated their own vision, the New Partnership for Africa's Development (NEPAD) in 2001. NEPAD is a development plan to lever the continent out of the cycle of poverty, political instability and marginalisation in world affairs. Philosophically, the new development strategy takes its roots on a new thinking that Africans should own and drive their countries to recovery. This means that Africans must be empowered to become active participants in the political and economic transformation of their own countries in particular, and the continent, in general.

A key element of the NEPAD is the recognition that good governance is a prerequisite for Africa's development. At the first meeting of the Heads of States and Government Implementation Committee (HSGIC) of NEPAD in Abuja, Nigeria, 2001, African leaders agreed to set up parameters of good governance, which would guide their political and economic operations in order to achieve the objectives that were set in the NEPAD programme (NEPAD, 2001:57). In June 2002, in Italy, the third meeting of the HSGIC



approved a code of good governance, the “Declaration on Democracy, Political, Economic and Corporate Governance” and the APRM as instruments that contain codes and standards of good governance to lead African countries to good governance and economic development (Communiqué of the HISC issued in Rome, 2002:5).

The concept of the African peer review, which is somewhat similar to the peer review used in the OECD countries, refers to the systematic examination and assessment of the performance of a state by other states (peers) in the four areas of governance – political, economic, corporate, and socio-economic development – under the leadership and supervision of the Panel of African Eminent Persons. The ultimate objective of the peer review is to help the country being reviewed improve its policies, comply with established codes and standards of governance and adopt best practices. In Africa, the mechanism of peer review is expected to advance the practice of good governance by promoting among other things, the rule of law, human and property rights, and efficient management of public resources, which will lead to political stability and high economic growth (APRM base document, 2003:1).

Participation in the APRM is, as already stated, voluntary and open to all member states of the African Union. Voluntary participation departs from the principle of sovereignty of states and recognizes that a state cannot be compelled to follow any prescribed model of governance. Instead, the APRM seeks to help willing countries improve governance as a precondition for social and economic development. At the same time, the review mechanism acknowledges that each African country is unique in terms of the socio-political, economic and cultural environment and that these individual characteristics should inform recommendations for governance improvement (APRM Objectives, Standards, Criteria and Indicators, 2003:2).

Furthermore, this peer review is by nature a cooperative, non-adversarial and non-punitive process, in which trust among participating countries is crucial for its success. It rests for compliance on the mutual understanding and



commitment to the values, and acceptance of standards and criteria that are used to evaluate performance (OECD, 2003; APRM, 2003). In this sense, the APRM is not a police mechanism. Instead, the assessments seek to help participating countries be aware of their performance in relation to principles and standards of good governance, and embark on a remedial path where there are shortcomings.

Chapter Four of this study has brought to the fore various governance and leadership challenges and problems facing Africa. This chapter (Five) is a critical analysis of the APRM as an instrument to address these governance problems. It seeks to determine its abilities to deliver on its mandate, which is to ensure political stability and economic development on the continent. Some of the questions addressed are: can the APRM address African governance problems? What are the challenges facing the mechanism and its implementation? The chapter begins by introducing the APRM, its governance structures and the process of peer review. Critical analyses of the mechanism follow by looking at its merits, investigating the implementation progress of the APRM, and the challenges to be overcome for effective implementation.

## **ANALYSIS OF APRM POLICIES AND STRUCTURES**

### **MANDATE, PURPOSE AND PRINCIPLES OF THE APRM**

The mandate of the APRM is to ensure that policies and practices of the participating states conform to the agreed values and standards of good governance as contained in the “Declaration on Democracy, Political, Economic and Corporate Governance”, which is a code of conduct that spells out political, economic and corporate principles, values and standards that have to guide policy and action of African states in the pursuit of poverty eradication and socio-economic development objectives. Paragraph 6 of the Declaration reads as follows:

We the participating heads of State and Government of the member states of the African Union have agreed to work together in policy and action in pursuit of the following objectives: democracy and good political governance; economic and corporate governance, socio-economic development, and the African Peer Review Mechanism”. (Declaration on

Democracy, Political, Economic and Corporate Governance, 2002: para 6)

In the area of democracy and good political governance (the focus of this study), African leaders reaffirmed their commitments to the promotion of democracy and its core values through enforcing the following:

- the rule of law;
- the equality of all citizens before the law and the liberty of individual;
- individual and collective freedoms, including the right to form and join political parties and trade unions, in conformity with the constitution;
- equality of opportunity for all;
- inalienable right of the individual to participate by means of free, credible and democratic political process in periodically electing their leaders for a fixed term of office; and
- adherence to the separation of powers, including the protection of the independence of the judiciary and of effective parliaments. (Declaration on Democracy, Political, Economic and Corporate Governance, 2002:para 7)

The APRM was established as an instrument to ensure that governments adhere to and fulfil these commitments contained in the Declaration. According to the base document of the APRM, its primary purpose is to:

foster the adoption of policies, standards and practices that lead to political stability, high economic growth, sustainable development and accelerated sub-regional and continental economic integration through sharing of experiences and reinforcement of successful and best practice, including identifying deficiencies and assessing the needs for capacity building. (APRM base document, 2003:1)

To achieve these objectives, African leaders undertake to carry out peer reviews, which are technically competent, credible and free of political manipulation (APRM base document, 2003:1). These are the core principles, which guide the African peer review.



## INSTITUTIONS AND GOVERNANCE STRUCTURES OF THE APRM

The founding document of the APRM envisages four institutional structures of leadership and management of the process of peer review. These are the Committee of participating Heads of State (APR Forum), the Panel of Eminent Persons (APR Panel), the APRM Secretariat, and the adhoc Country Review Team (APR Team) (APRM base document, 2003:2). In addition to these structures, the first Summit of the Heads of State and Government participating in the APRM held in Kigali, in February 2004, endorsed the proposition of creating the APRM national structures in each participating country. These are the APR focal point and the National Coordinating Mechanism (Communiqué of first APR Forum, 2004:6).

### **The committee of participating Heads of State and Government (APR Forum)**

The APR Forum is made up of Heads of State and Government of African countries participating in the peer review process. It has the overall responsibility for overseeing APRM operations and processes and for exercising the constructive peer-dialogue and persuasion required to make the APRM effective. It is at this level that “peer pressure” is expected to be exercised once the final review report for a country is tabled before this forum. The mandate of the APR Forum is to:

- appoint the APR Panel and its Chairperson and approves its rules of procedure;
- consider, adopt, and take ownership of country review reports submitted by the APR Panel;
- communicate the recommendations of the APR Forum to the Head of State or Government of the reviewed country immediately after the review meeting;
- exercise constructive peer dialogue and persuasion, through offering assistance or applying appropriate measures, to effect changes in



country practice where recommended;

- persuade development partners to support the recommendations approved by the APR Forum by providing technical and financial assistance;
- transmit APRM Reports to the appropriate African Union (AU) structures in a timely manner;
- make public, through the APR Secretariat, the country review reports;
- establish and approve rules of procedure for the APR Forum;
- approve a code of conduct for all components of the APRM organisation; and
- ensure that the APR process is fully funded by participating countries. (APRM Organisation and Processes, 2003: 2-3)

APR Forum is chaired by President Olusegun Obasanjo of Nigeria, who is also chairperson of the NEPAD HSGIC. He was unanimously elected as chair at the first APR Forum held in Kigali, Rwanda, in February 2004. However, the term of office of the Chairperson of the Forum is not mentioned. According to the communiqué issued at the end of the APR Forum in Kigali, the election of President Obasanjo “will reinforce the APRM as an integral part of the NEPAD process” (Communiqué of the 1<sup>st</sup> APRM Forum, 2004:3). Indeed this dual appointment may facilitate coordination and leadership of the NEPAD and the APRM activities. However, given the importance of the responsibilities of the Forum and the NEPAD HSGIC, it can also create an organisational crisis, even overburdening the Chairperson. It is important to have clear organisational arrangements, with clearly articulated responsibilities and defined timeframes in order for this structure to effectively perform its duties.

### **The Panel of Eminent Persons (APR Panel)**

The APR Panel is composed of seven distinguished Africans selected on the basis of their expertise in areas relevant to APRM work, their high moral



stature and commitment to the ideals of Pan Africanism. The APR Forum appoints the members of the Panel taking into consideration the regional, gender and cultural representativity. The members serve for a period of up to four years, with the exception of the chairperson who serves for a maximum period of up to five years (APRM base document, 2003:2). The APR Panel is composed of the following members: Ms Marie-Angelique Savane from Senegal, Professor Adebayo Adedeji from Nigeria, Dr Graca Machel from Mozambique, Dr Dorothy Njeuma from Cameroon, Dr Chris Stals from South Africa, Ambassador Bethuel Kiplagat from Kenya, and Mr Mohammed Seghir Babes who replaced Mourad Medelci from Algeria (Communiqué of first APR Forum, 2004:3).

At present, the Panel is chaired by Ambassador Bethuel Kiplagat who was appointed by the APR Forum at its 3<sup>rd</sup> Summit held on 19 June 2005 in Abuja, Nigeria. He replaces Mrs Marie-Angelique Savanne who served as the first chairperson of the Panel for a period of one year since 14 November 2003 (Press release of 13<sup>th</sup> meeting of APR Panel of 12-13 August 2005 <http://www.nepad.org/2005/news/wmview.php?ArtID=38>).

According to the APRM base document (2003:2), candidates for the APR Panel are nominated by participating countries, then short-listed by a Committee of Ministers and appointed by the APR Forum. The composition of the current APR Panel indicates a balanced gender representation, whereby three out of seven members are women. All the five regions of Africa are also represented in order of two representatives for Southern Africa and West Africa; and for East, Central and North Africa one representative each.

The mandate of the panel is as follows:

- exercise 'oversight' of the APRM process with a view to ensuring the independence, professionalism, and credibility of the process;
- oversee the selection of the APR Teams and appoint them to conduct country reviews;



- recommend appropriate African institutions or individuals to conduct technical assessments;
- meet when required to review and make objective assessments of and recommendations on the country review reports submitted to it by the APR Secretariat;
- consider recommendations contained in the country review reports and make recommendations to the APR Forum; and
- submit to the APR Forum all country review reports with recommendations on measures that could be taken to assist the country in the improvement of its governance and socio-economic development performance.

Some critics have raised concerns about the independence of the members who serve on the Panel (Bekoe, 2002:248; Kanbur, 2004:10). It is argued that these eminent persons may have strong ties with their state, which may undermine their objectivity and independence in carrying out the peer review. While these worries may be well founded, any judgment of the impartiality of eminent persons can only be made after the publication of a country's peer review report. It is too early to make such arguments as no single report has yet been published. The selection process for eminent persons emphasises ethical integrity as an important criterion to ensure the credibility of the African peer review process. Thus, eminent persons are expected to perform their duties with honesty, professionalism and in the best interests of the public and countries under review. The profiles of selected personalities indicate that indeed distinguished Africans with extensive experience and expertise in the areas of the APRM have been chosen for the APR Panel. However, it is important that control and accountability mechanisms be established to ensure that indeed this eminent Panel carries its responsibilities with integrity and professionalism.





## The APRM Secretariat

The APRM Secretariat is based in Midrand, South Africa. It provides the secretarial, administrative, technical and coordinating support services for the APRM. The APRM Secretariat operates on a continuous basis and is supervised directly by the Chairperson of the APR Panel at the policy level, and in the day-to-day management and administration by an Executive Officer/Director (APRM Organisation and Processes, 2003:5-6). The APR Panel through a competitive selection process appoints the Executive Director for a period of one year renewable upon satisfactory performance. At present, the APR Secretariat is a small organisation staffed by the Executive Director assisted by three coordinators selected for their expertise in the four areas of the peer review, three research analysts, and supportive administrative personnel (APRM Secretariat, 2005). The main functions of the APRM Secretariat include:

- maintaining extensive database and information on the four areas of focus of the APRM and database of the political and economic situations of all participating countries;
- preparing background documents for the teams conducting reviews;
- facilitating technical assistance to participating countries;
- proposing performance indicators and tracking the performance of each participating countries;
- liaising with participating countries and partner institutions to follow progress of technical assessments;
- planning and organising the country review visits;
- recommending to the APR Panel on the composition of APR Teams and recruit the experts required for research and analysis;
- liaising with interested external partners and support participating



countries in resource mobilization for capacity building;

- organising regional networks in the various areas of focus of the APRM and convene workshops for the sharing of experience and best practices and to address constraints experienced in the implementation of country programmes of action;
- liaising with the institutions issuing the standards and codes listed in the Declaration on Democracy, Political, Economic and Corporate Governance (AHG/235(XXXVIII) Annex 2); and
- ensuring full documentation of the APR processes at country, sub-regional and continental levels to facilitate learning (APRM/O&P, 2003).

Clearly, the APR Secretariat (in its current composition) has no capacity to deliver on this wide mandate. To strengthen the capacity of the Secretariat, the APR Forum approved a number of partner institutions to support the APRM process. Four institutions were designated strategic partners for the APRM: the African Development Bank (ADB); the United Nations Economic Commission for Africa (UNECA); the UN Development Programme Regional Bureau for Africa. On matters relating to human rights, democracy, and political governance, some organs of the AU, including the African Commission on Human and Peoples' Rights (ACHPR), the Peace and Security Council (PSC), and the Pan-African Parliament are listed as potential resource institutions (APRM Organisation and Processes, 2003:7-10; APR Secretariat, 2005).

- The ADB has provided assistance in developing the assessment tools in banking and finance; it is engaged in technical capacity enhancement of the Secretariat, it provides background information on countries; and participates in country review missions.
- The ECA has provided assistance in the development of tools for the APRM in economic governance and management; it also provides background information on countries and technical expertise for

country review missions.

- The UNDP has provided preparatory assistance to the APR Panel and the Secretariat; it also participates in country review missions.
- The African Union has contributed to the development of the tools and documents of the APRM, particularly in the area of human rights, democracy and political governance.
- Lastly, there is a pool of experts/consultants (mostly from Africa), who are occasionally used to conduct technical assessments on countries under peer review (NEPAD Annual Report 2003/2004:38-39).

With this additional technical expertise that assists in carrying out African peer reviews, the APR Secretariat appears to be well equipped with the required expertise to handle the technical evaluations. However, as the list of responsibilities shows, the Secretariat work does not end with technical assessments. To be able to perform its numerous functions, it is important to equip the Secretariat with competent permanent staff. This is not only essential for having technically competent reviews but also for building institutional knowledge.

### **The APRM team review**

The APRM Teams are constituted only for the period of the country review visit. The composition of the APRM Teams is carefully designed to enable an integrated, balanced, technically competent and professional assessment of the reviewed country and is approved by the APR Panel. The APR Panel also approves the terms of reference for each country review visit (APRM/ O&P, 2003:7).

### **APRM structures at the national level**

At the first APR Forum summit in Kigali, in February 2004, participating Heads of State in the peer review approved the recommendations by the APR Panel to establish national APR structures. These are the APR Focal Point and the



APR National Coordinating Mechanism/Commission. It is recommended that the APR Focal Point be established at the high level office, either at ministerial level or in the presidency to facilitate direct access and reporting to the Head of State and access to all national stakeholders (APRM Guidelines, 2003:11). The APR Focal Point plays a pivotal communication and coordination role linking up APR national structures and activities with continental ones, such as the APR Secretariat and the APR Panel. The second structure is the APRM National Commission. This structure is expected to be broad-based including all stakeholders from government, business and civil society, to ensure that the peer review process is inclusive and credible. The exact form and nature of responsibilities of these national institutions are not clearly defined in the APRM documents, a task left to the discretion of the particular country.

Thus, the character of these institutions may vary depending on the socio-political and economic make-up of the country. For instance, Ghana has a dedicated Ministry for regional cooperation and NEPAD. The country institutional set up for the African peer review process looks like this:

- Independent National APRM Governing Council (NAPRM-GC) to represent the voice of civil society stakeholders chaired by an independent academic (Prof S.K. Adjepong);
- National APR Secretariat (APR Focal Point) to provide support to the Governing Council; and
- Four independent, non-governmental technical advisory bodies commissioned by the NAPRM-GC to assist with the assessment in the four thematic areas of the APRM. The leading institutions are the Centre for Democratic Development, for Democracy and Good Political Governance; Centre for Policy Economic Analysis, for Economic Governance and Management; Private Enterprise Foundation, for Corporate Governance; and Institute for Statistical, Social and Economic Research, for Socio-Economic Development. (Communiqué of the APRM Support Mission to Ghana, of 29 May 2004

<http://www.nepad.org>).

Rwanda has taken a different approach, and has established the NEPAD and the APRM structures within the President's office. Two institutions, namely the APR Focal Point and the APR National Commission, drive the national peer review process. The APR Focal Point provides the coordination and secretarial service. The National Commission, which is the coordinating mechanism, brings together all national stakeholders and, among its 50 members, 17 are representatives of various civil society organisations and the business community (*NEPAD Rwanda Magazine*, 2004:14-15). In Rwanda, the APR National Commission unlike that in Ghana, which is chaired by an independent member of civil society, is chaired by the Minister of Finance and Economic Planning. This structuring raises concerns of the independence of the APR National Commission from government influence.

In general, at the national level, participating countries are expected to perform functions, which include the following:

- define in collaboration with key stakeholders a roadmap on participation in the APRM;
- publicise the process of APRM, and provide information on roles and responsibilities of all stakeholders (government, non-governmental organisations, private sector, and international development partners) in particular national coordinating structures; and the process of the APRM;
- coordinate the national review process;
- elaborate (in collaboration with all stakeholders) the National Programme of Action;
- establish and publicise feedback mechanism between different levels of government and various stakeholders; and
- make annual progress reports to APR Secretariat on the

implementation of the Programme of Action. (APRM Guidelines, 2003:11-12)

## PERIODICITY AND TYPES OF PEER REVIEW

The APRM provides for four types of review. The first review is carried out within eighteen months of a country becoming a member of the APRM. The second review is periodic and will take place every two to four years. The third type of review is not part of periodic reviews; it is about a country for its own reasons asking for being reviewed. The fourth may be instituted in cases where there are signs of impending economic or political crisis in a country. This will be done in a spirit of helpfulness to the participating government (APRM base document, 2003:3). If one considers that in March 2004 some 18 countries had already joined (see table of accession to the APRM), then according to this periodicity, by September 2005 all 18 countries should have received their peer review assessment. Given the pace at which the APRM is being implemented, it is unlikely that the time frames proposed may be achieved.

## THE PROCESS OF THE APRM

The APRM base document (2003:3-4) identifies five stages of the peer review process. Once a country has acceded to the APRM, the APR Secretariat arranges a “support mission” visit to that country. The purpose of the support mission is to ascertain the extent of preparedness and the capacity of the country to participate in the peer review process and to conclude negotiations and sign the Memorandum of Understanding on the Technical Assessment Missions and the Country Review Visit (APRM/ O&P, 2003:10-11). The APRM process starts thereafter.

### **Stage one**

The first phase involves a study of the political, economic and corporate governance and development environment in the country to be reviewed. This information is sourced from up-to-date background documentation prepared



by the APR Secretariat and material provided by national, sub-regional, regional and international institutions. During this phase, the APR Secretariat sends to the country a questionnaire (standard for all participating countries) on the four areas of review of the APRM. The country conducts a self-assessment on the basis of the questionnaire, and then develops a preliminary “Programme of Action (PoA)” to respond to possible shortcomings identified in existing policies and projects. The Programme of Action includes specific time-bound commitments detailing how the country will bring itself into line with NEPAD objectives and a wide range of commitments that African states have made through various international treaties, including the Millennium Development Goals (APRM/Guidelines, 2003:11). The self-assessment report and the PoA are sent to the APR Secretariat, which on the basis of these documents and the background document on the country, draws up an “Issues Paper” setting out the apparent main challenges in the political, economic and corporate governance that need to be addressed by the country.

### **Stage two**

Stage Two entails a visit by the APR Review Team (under the leadership of the Panel) to the country. It involves carrying out the widest possible range of consultations and interviews with key stakeholders including government officials, political parties, parliamentarians, representatives of civil society organisations (including the media, academia, the business community, professional bodies, women and youth groups) rural communities and representatives of international organisations. The purpose of these consultations is to gauge the perspectives of various stakeholders on the level of political, economic, and corporate governance in that particular country. Furthermore, the country visit provides an opportunity for the APR Team to discuss the draft Programme of Action that the country has drawn up to improve its governance and socio-economic development and to build consensus on how identified issues could be addressed.



### **Stage three**

Stage Three involves the preparation of the APR Team's report. The report is prepared, in part on the basis, of the findings of the Country Review Visit as well as on the findings of the research studies of the APR Secretariat before the visit. The recommendations of the Team's report should take into account the commitments made in the preliminary Programme of Action of the country, and should identify remaining weaknesses and recommend further actions that should be included in the final Programme of Action. The report should be clear and specific on measures the country has to include in its Programme of Action, including estimates of capacity, resource requirements and timeframes. The draft report is first discussed with the Government of the concerned country to ensure the accuracy of the information and to provide the Government with an opportunity both to react to the substance of the draft report and put forward its own views and measures to be undertaken to address the shortcomings. These responses are appended to the report.

### **Stage four**

Stage Four involves the submission of the APR Team's country review report and the final Programme of Action to the APR Panel, and finally to the APR Forum. The APR Panel meets to review the report in accordance with its mandate and submits its recommendations on the report to the APR Forum. The APR Forum considers the report and the recommendations of the APR Panel and decides on actions to take in accordance with its mandate.

### **Stage five**

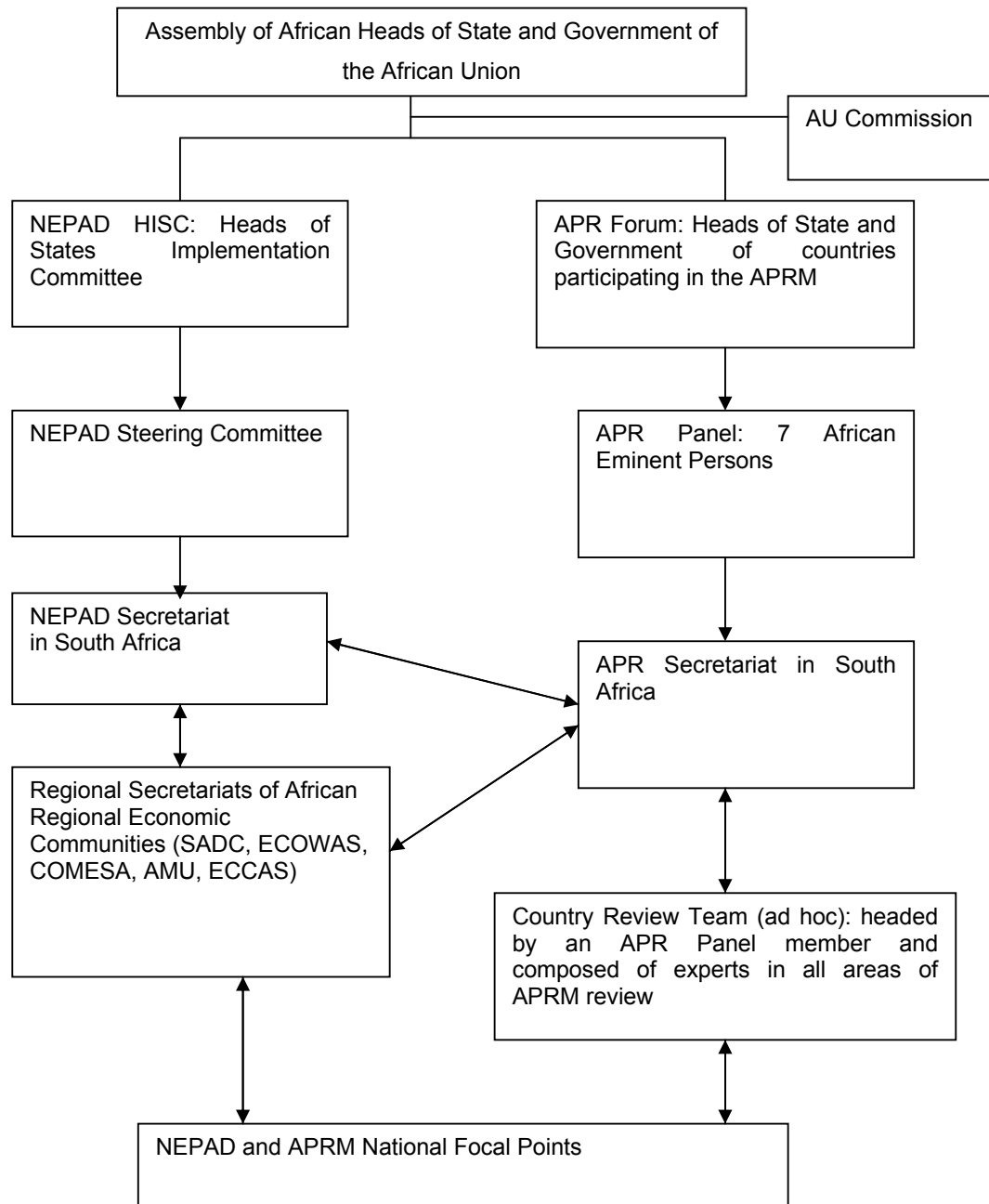
This stage, which is the final phase in the first cycle of the APR process for a country, involves making public the APRM Report on the country reviewed. It takes six months after the report has been considered by the APR Forum to be formally and publicly tabled in key governance structures of the African Union. These include the Pan-African Parliament, the African Commission on Human and Peoples' Rights, the Peace and Security Council, and the Economic, Social and Cultural Council (ECOSOC) of the African Union, as





well as the Regional Economic Community of the region of which the country reviewed is a member.

While procedurally well detailed, the APRM process has not envisaged the time frames for different stages. Paragraph 26 of the APRM base document stipulates that “the review process per country should not be longer than six months” from the date of the beginning of the process (Stage One) up to the date when the report is submitted to the APR Forum for consideration (Stage Four) (APRM base document, 2003:5). It is only at the last stage of the process, which provides six months for the final report to be made public, that time has been specifically allotted. However, any programme/project requires clear time frame targets for all the phases of the project to allow the monitoring and assessment of the implementation progress. To recapitulate, below is the schematic diagram, which indicates the structures of the APRM and their relationships with the NEPAD and the AU.



Source: Mukamunana, 2005

**Figure 5.1: APRM, AU and NEPAD Structures: A relational model configuration**

—> Single arrow: relationship of hierarchical authority and provision of directives

<--> Dual arrow: cooperative relationship, sharing of data and information



The above figure captures the key aspects and elements of the relationships between the AU, NEPAD, and the APRM. The AU is the supreme organ in this set of relationships. African leaders have agreed that the NEPAD and APRM activities and procedures shall be consistent with the decisions and procedures of the African Union (MoU on the APRM, 2003:6) and their implementation progress reported annually to the AU Summit (Communiqué of the 1<sup>st</sup> APR Forum, 2004:6). It is also important to note that African leaders are still debating on approaches to integrating these structures for effective and efficient working relationships towards the common goals of poverty eradication and Africa's development.

The point of departure for analysis of the relationships among AU/NEPAD/APRM is that NEPAD is a development plan of the African Union, and the APRM a voluntary mechanism, to monitor the performance of participating African states and thereby improve their governance and policies.

The Assembly of the AU, made up of 53 African Heads of State and Government is the supreme decision-making authority on matters concerning the operationalisation and implementation of the NEPAD. However, it has delegated its powers and functions of providing leadership for the implementation of the NEPAD to the HSGIC. As already noted, the HSGIC is a committee of 20 Heads of State and Government representing the five African regions defined as North, West, East, Central and South. The HSGIC is assisted in its functions by the Steering Committee composed of personal representatives of Heads of State and Government serving on the HSGIC and a Secretariat which is based in South Africa. This configuration poses the problem of coordination. In principle, NEPAD projects are to be developed, studied, and implemented by the Regional economic communities (RECs) of the AU, which are the pillars of regional integration and development in Africa. Therefore, to facilitate communication, coordination and implementation of NEPAD projects, those countries sitting on the HSGIC should represent the RECs and not the North, West, East, Central and South whose membership



and authority are not clearly determined.

The Assembly of the AU is serviced by a Secretariat called the Commission of the AU, which is located in Addis Ababa, Ethiopia. The Commission represents the AU and defends its interests, and assists member states to implement the AU policies and programmes. Thus, in relation to NEPAD, the Commission ought to play a coordinating role, mobilising technical and financial support, and monitoring the implementation of NEPAD projects by various countries and African regions. These functions are currently performed by the NEPAD Secretariat based in South Africa, although the AU Commission participates in all meetings of the Steering Committee, which oversees the work of NEPAD Secretariat. While the two structures should complement each other to achieve the goals of the AU and NEPAD, in practice, there is the danger that they may compete and undermine each other. Therefore, in order to avoid duplication, waste of resources and lack of focus, integration and clear division of responsibilities is imperative.

The APRM is the instrument to monitor the governance performance of African states. Although participation in the APRM process is voluntary, African states participating in the APRM have decided to report to the Assembly of the AU on the processes, implementation progress and activities of the APRM on an annual basis. The Panel of 7 African Eminent Persons oversees the implementation of the APRM and it is assisted by a Secretariat located in South Africa. The APR Panel reports to the APR Forum.

The APR Secretariat is expected to work in cooperation with a number of regional bodies, in particular, the NEPAD Secretariat and the AU Commission in sourcing and sharing information to develop background information papers on member states of the African Union participating in the APRM. Similarly, the founding documents of the APRM stipulate that the APR Secretariat should collaborate with various secretariats of the Regional Economic Communities such as the ECOWAS, ECCAS, AMU, COMESA, and SADC. However, there is no formal institutional relationship envisaged between the NEPAD Steering Committee and the APR Panel. These two structures are

key in providing leadership and monitoring the implementation of NEPAD and the APRM. Although participation in the APRM is voluntary, collaboration between the two can facilitate the performance of their respective responsibilities.

At the bottom of the model in Figure 5.1 is the country with national NEPAD and/or APRM structures. National NEPAD/APRM institutions are likewise required to interact with relevant REC secretariats, the APRM Secretariat and the NEPAD Secretariat. Countries participating in the APRM are specifically required to have national structures for the implementation of the peer review. The model (Figure 5.1) shows the complex networks of interactions among various structures and actors within the African Union and its organs and member states. So far, the reports of activities of these structures suggest a vertical working relationship. Coordination, in particular, horizontal coordination is lacking and appears to be the major challenge for this structural set up. Integration of some functions and structures of the AU, NEPAD and the APRM for better delivery and to avoid duplication is a matter that requires urgent attention.

## **ACHIEVEMENTS OF THE APRM**

The African Peer Review Mechanism (APRM) is now three years old. An analysis of the APRM performance opens up a number of questions in terms of knowing what has been achieved so far. Has the initiative induced change in the manner in which African governments manage their affairs? Has the nature and content of the relationship and dialogue with the developed countries and multilateral institutions changed? Clear-cut answers are difficult to come by given the fact that the APRM is new and a very young initiative. Achievements are discussed in the context of the progress made in implementing the mechanism in Africa.

## **THE PROGRESS OF PEER REVIEW IMPLEMENTATION**

To date, 23 African countries out of the 53 member states of the African Union have signed the Memorandum of Understanding (MoU) on the APRM, thus

acceding to the peer review process (NEPAD Annual Report, 2003/2004:37). The table below represents African countries participating in the voluntary peer performance assessments and the dates of accession to the APRM.

**Table 5.1: List of African states that have acceded to the APRM' MoU**

No.	Country	Date of Signature of MoU
1	Algeria	09 March 2003
2	Burkina Faso	09 March 2003
3	Republic of Congo	09 March 2003
4	Ethiopia	09 March 2003
5	Ghana	09 March 2003
6	Kenya	09 March 2003
7	Cameroon	03 April 2003
8	Gabon	14 April 2003
9	Mali	28 May 2003
10	Mauritius	09 March 2004
11	Mozambique	09 March 2004
12	Nigeria	09 March 2004
13	Rwanda	09 March 2004
14	Senegal	09 March 2004
15	South Africa	09 March 2004
16	Uganda	09 March 2004
17	Egypt	09 March 2004
18	Benin	31 March 2004
19	Malawi	08 July 2004
20	Lesotho	08 July 2004
21	Tanzania	08 July 2004
22	Angola	08 July 2004
23	Sierra Leone	08 July 2004

Source: The APRM Secretariat, November 2005

The process of peer review started with four countries, namely Ghana, Rwanda, Kenya, and Mauritius that volunteered to begin the process. All the



four countries received the APRM support mission, almost at the same time. Ghana received its APRM support mission from the 24- 29 May 2004, Rwanda from the 21- 24 June 2004, Kenya from the 26- 27 July 2004, and Mauritius from the 28 - 30 June 2004 (Press release of 18 June 2004, the APR Secretariat, [www.nepad.org](http://www.nepad.org)). At the time of writing this thesis (December 2005), only two of the four countries under review, namely Ghana and Rwanda have reached the completion stage and their final reports submitted in June 2005 to the APR Forum (which met in Abuja, Nigeria) for consideration and adoption. According to the rules of the APRM process, these reports will be available for public consumption, six months after their deliberation by the APR Forum. Kenya and Mauritius are still in the process of peer review. In Kenya, dispute over the Constitution is reported to have derailed the process of the APRM (*The East African Standard*, 26 March 2004). In addition to these countries, Nigeria, Algeria, South Africa, and Uganda have this year of 2005 received the first APRM support missions and have started their self-assessment and to draft the Programme of Action.

Initially, two country reviews were planned to be undertaken quarterly. According to the proposed calendar, from April 2004/March 2005 to April 2005/March 2006, 16 countries were expected to be at some stage of the peer review process (NEPAD Annual Report, 2003/2004:39). Furthermore, paragraph 26 of the APRM base document (APRM, 2003:5) provides six months as the maximum period for the review process for a country. Therefore, according to these provisions, by December 2005, at least 10 countries would complete the process of peer review and six would be in the process. However, as the progress of the peer review shows, these targets are far from being achieved. By December 2005, only two countries have reached the completion stage and six are in the process of peer review. Addressing the third Summit of the APR Forum on 19 June 2005 in Abuja, Nigeria, President Obasanjo, who as noted heads the NEPAD HSGIC and the APR Forum, justified the sluggishness of the APRM process in the following terms:



Many had doubted whether we could go so far with this process while some of our detractors, without sympathy for the difficulties often encountered in starting up such a far-reaching initiative, and the need to get it right and to ensure quality, fairness, credibility and integrity for the process, complained that we were slow. We all know that any new venture needs a reasonable amount of time and space to move from inception to completion. The APRM process, in many cases, called for the setting up of new national institutions to fully address the type of in-depth and broad-based consultations with all stakeholders, which is a prerequisite of the process. (Obasanjo, 2005:1)

Indeed, getting the APRM off the ground is a colossal task, because the process involves numerous activities, such as the creation of new institutions, the APR Focal Point and the APR Coordinating Mechanism. But, the most important and challenging task is to start up a process of dialogue and negotiation among all stakeholders about national issues and policies, a culture foreign to many African countries. In addition, the process requires the country to put aside a budget for the operation of these national institutions, including conducting workshops, surveys and self-assessment reports, which may not be readily available. Thus, one must admit that, despite its humble beginnings, the progress made by the APRM after only two years of operation is commendable.

Besides a significant number of countries that have already committed to abide by the principles and standards of good governance contained in the Declaration on Democracy, Political, Economic and Corporate Governance, it is argued that the advent of the NEPAD and APRM in Africa has induced positive change in leadership and governance (Nkhulu, 2005; UNECA, 2005a). Since the inception of the NEPAD and the APRM, a process of transformation in good governance is on the increase in Africa. The ECA report notes successful elections and peaceful changes of leadership in Mozambique, Rwanda, Malawi and Namibia among others, something that was exceptional a decade ago (UNECA, 2005a:3). In Burundi, people have peacefully ended the transition and elected their president after 12 years of civil unrest. The report further notes that legislatures and judiciaries are gradually reasserting their independence, and governance is becoming more inclusive reflecting the profile of all ethnic, regional, racial and religious groups (UNECA, 2005a:8). On the economic front, improved macroeconomic





management has also been recorded, making it possible to improve economic aggregates. The average economic growth rate for the continent in 2004 was 5.1 per cent (the highest in eight years) and the IMF projects economic growth of over 5.3 per cent for 2005, and average inflation of 9.9 per cent compared with 41 per cent over 20 years ago (Nkhulu, 2005:3-4). The noticeable improvement in political stability and macroeconomic performance cannot, however, be solely attributed to the NEPAD and the APRM initiatives. There are numerous contributing factors including internal political dynamics and economic reforms, which compel developing countries to rigorous financial and economic management discipline.

Notwithstanding the tangible achievements, it should be underlined that to assess the performance of the APRM in such a short period of its existence is not an easy exercise, nor a fair account of the process. The peer review process which aims to instil good governance practices in African countries for sustainable development and continental integration is a long process of transformation of governance systems, institutions, and other essential elements, which cannot be achieved in just three years. Experience from other parts of the world, such as the European Union reveals that transformation of this nature is a complex and difficult endeavour and can take many years. Bearing this in mind, the analysis focuses on the merits of the values and principles of the APRM and on the challenges and problems facing the mechanism in the way it seeks to achieve its mandate.

## **MERITS AND BENEFITS OF THE APRM POLICIES**

### **IMPROVING LEADERSHIP AND DEMOCRATIC GOVERNANCE**

The African Peer Review Mechanism reflects the ultimate commitment of African leaders to the tenets of democracy and good governance. Given the fact that political governance has been singled out as the major factor undermining sustainable social and economic development on the continent, the APRM is potentially a decisive element to attain the objectives set forth for the new socio-economic revival of Africa. Since the mid-90s, good leadership and democratic governance have received special attention by both African



leaders and their development partners. In this regard, numerous policies have been adopted. These include the African Charter for Popular Participation (1990), the Grand Bay Declaration and Plan of Action for the promotion and protection of human rights (1999), the Declaration on the framework for an OAU response to unconstitutional changes of government (2000), and the Maputo Convention on preventing and combating corruption (2003).

In addition, the Constitutive Act of the new African Union (AU) adopted in Lomé in July 2000, which replaced the old Organisation for African Unity (OAU) came as a strong promoter of democracy and good governance. This Act includes the promotion of “democratic principles and institutions, popular participation and good governance” as an objective of the AU. Furthermore, the founding principles of the AU include condemnation and rejection of unconstitutional changes of government. Article 30 of the Act is clear about the principle: “governments which shall come to power through unconstitutional means shall not be allowed to participate in the activities of the Union”.

All these underline the increasing political will to the principles of good leadership and governance and the primacy of the rule of law. Through the APRM, African leaders have for the first time, taken a firm decision to openly monitor the implementation of these commitments. The APRM is an implementation mechanism, a tool to encourage African states to adopt all the above policies and practices of good governance, which are expected to bring political stability on the continent, high economic growth, sustainable development and accelerated regional and continental economic integration.

On the political front, the democracy and political area of the APRM aims at “consolidating a constitutional order in which democracy, respect for human rights, the rule of law, the separation of powers, and effective, responsive public service are realized to ensure sustainable development and a peaceful and stable society” (APRM/OSCI, 2003:5). Specifically, there are nine objectives under “democracy and political governance” of the APRM.



- prevention and reduction of intra- and inter-country conflicts;
- promotion of constitutional democracy, including periodic political competition and opportunity for choice, the rule of law, a Bill of Rights and the supremacy of the Constitution firmly established in the constitution;
- promotion and protection of economic, social, cultural, civil, and political rights as enshrined in all African and international human rights instruments;
- upholding the separation of powers, including the protection of the independence of the judiciary and of an effective Parliament;
- ensure accountable, efficient and effective public office holders and civil servants;
- fighting corruption in the political sphere;
- promotion and protection of the rights of women;
- promotion and protection of the rights of the child and young persons;  
and
- promotion and protection of the rights of vulnerable groups, including internally displaced persons and refugees. (APRM-OSCI, 2003: 5-6)

The importance of these principles of good political governance, which include the rule of law and supremacy of the Constitution, effective and efficient public institutions, and the protection of social, economic and cultural rights cannot be overemphasized. The rule of law provides the minimum basis for creating rule-bound states. Effective legal systems protect citizens and commercial activities against state arbitrariness. They ensure accountable and transparent government, which in turn enhances social trust, increases commercial certainty, creates incentives for efficiency and higher productivity, and controls corruption all of which are essential to boost social and economic



development.

It is evident that the APRM objectives and policies afford Africa's leadership the opportunity to re-chart the destiny of the continent by fostering good governance and sound economic management. The APRM provides a framework for dialogue and sharing experiences between participating African states. This will enable them to identify their weaknesses and find effective solutions. Thus, the APRM is a socializing instrument that encourages states to learn from, and emulate each other's best practices in political and economic governance in their fight against poverty and underdevelopment.

The welcome reaction of leaders of Rwanda and Ghana of their country reports bears out the non-confrontational character of the APRM and the learning commitment of participating countries. For instance, Ghana was criticized for lacking institutional capacity. In addition, Ghana's economy was assessed as being "relatively weak and highly vulnerable to external shocks, especially the vagaries of world trade and sub-regional political instability" (*Mail & Guardian*, South Africa, 24 June 2005). While Rwanda was praised for having 48 per cent of women in its Parliament, it was criticized on reconciliation policies and the local government electoral process (*Daily Trust*, 12 August 2005).

In light of these comments, instead of discarding the reports as speculative, the leaders whose governments were assessed appreciated the remarks saying that the reports would help their governments work harder on identified weaknesses. According to President Kufuor, "the country will continue to implement the Programme of Action and be submitted to regular reviews on its performance" (*BuaNews*, 23 June 2005). He was also credited as saying: "We are not before this forum as people in the dock. We are here as brothers to see our reflection so we can correct the path we make in terms of governance and good leadership for economic development and upholding human rights" (*The Mail & Guardian*, 24 June 2005).

The President of Rwanda, Paul Kagame, also welcomed the APRM report saying that Rwandans are looking "forward to working with" other African



nations as they “carry out the corrective measures where weaknesses have been identified” (*The New Times*, 22 June 2005). These statements suggest a change in leadership style, a leadership that is ready to accept mistakes and weaknesses in their governance systems, and is willing to learn the best practices of governing public affairs. It can be argued that the APRM has set a stage for visionary leadership and better governance on the African continent. The challenge remains, however, in the translation of these statements into concrete implementation. Therefore, it remains to be seen whether Rwanda and Ghana will correct the identified shortcomings.

### OPEN SPACE FOR CIVIL SOCIETY PARTICIPATION

For the NEPAD and the APRM to effectively achieve their goals, the role of civil society is crucial. The current discourse on civil society in Africa, by academics and donors, often presents civil society as the locus *sine qua non* for progressive politics, the arena in which people strive to improve their lives, but also, one for political resistance (Chazan, 1994; Kasfir, 1998). Civil society is regarded as a dynamic mechanism and crucial safeguard that will make African states more democratic, more transparent and more accountable. Consequently, since the 1980s, civil society participation in public policy has been part of the package of reforms pushed by development agencies, donor countries, and pro-democracy movements. In February 1990 in Arusha during a conference that brought together African governments, United Nations agencies, and African civil society groups, African governments formally endorsed the idea of the participation of civil society organisations (CSOs) in governance and development. The “African Charter for Popular Participation in Development and Transformation” affirmed that the development process should be fundamentally reoriented towards greater, broad-based participation on the part of Africa’s people and their organisations to allow them to contribute effectively to the development process and share equitably in governance and nation building (<http://www.africaaction.org/african-initiatives/chartall.htm>).

The principles and practices for good governance and development contained



in the NEPAD and the APRM refer to popular participation, and actually open a space for civil society and business, calling for partnership in the new vision of Africa's development. Even though these initiatives were developed without the input of African society, their implementation is based on participation and makes the participation of all stakeholders – government agencies, private sector and civil society organisations – a must. Subsequently, the African peer review process requires each participating country in the APRM to establish a national coordinating structure that embraces all stakeholders, including government officials, parliamentarians, opposition representatives, business community, media, NGOs, community-based organisations, women's associations, and youth groups. The APRM process provides African society with opportunities not only to evaluate the performance of their governments but also to be part of the policy-making process, through the development of a Programme of Action to address the identified shortcomings in governance and socio-economic development.

For instance, the media – print, audio and visual media – is heavily involved in gathering and reporting information relating to the APRM. This has increased the availability, in the public arena, of information on the processes and progress of the peer review. Other organized civil society groups have held several conferences and seminars to debate these new frameworks for governance and development in Africa, and to determine their role in these processes. An example is the African Social Forum created in 2002 as a continental space for social movements, organisations and institutions from across the continent to debate and formulate proposals that promote democratic governance and sustainable development. This gathering brings together, each year, civil society activists and experts from all African countries (<http://www.africansocialforum.org/english/fsa2004.htm>).

In all the countries undergoing the peer review, the process has opened up a space for civil society participation and critique. As already mentioned, Ghana has commissioned four independent, non-government technical advisory bodies to assist with the assessment process in the focal areas of the APRM (Botwe, 2005:3). In Rwanda, among the 50 members of the APR National



Commission, 17 are representatives of various civil society organisations and business community (*NEPAD Rwanda Magazine*, 2005:14-15). In Kenya, it was reported that the experts drawn from various organisations, including public universities, rejected the draft National Self-Assessment Report, saying it did not reflect the voice of Kenyans, and questioning its softness on corruption. This has led to a meeting between APR Focal Point and stakeholders to rework the country review report (*Business News*, 2 September 2005 [http://www.eastandard.net/hm\\_news/news.php?articleid=28248](http://www.eastandard.net/hm_news/news.php?articleid=28248)).

It is important to note, however, that participation of organised civil society groups in the processes of the African peer review does not ensure that the voice of the rural poor is heard. One of the strongest criticisms at the APRM is its lack of mobilisation of local communities in the process of evaluating their country's governance (Verwey, 2005:11-12). Indeed, a number of barriers such as the fact that the APRM documents are written in non-mother tongue languages (English and French) hinder participation. This makes participation in the APRM process an elite affair. There is an urgent need to translate the APRM documents into local languages.

Despite its shortcomings, the APRM has set in motion a process of dialogue among government institutions, civil society and the business sector about governance and development issues and how they can be addressed. Furthermore, the APRM guidelines make it clear that all the stakeholders should be involved in the implementation and monitoring of the Programme of Action that derives from the peer review process. Thus, in the long run, the APRM process will build and strengthen the culture of popular participation in decision-making, which is essential for the consolidation of democracy and better governance in Africa. The organisations of civil society must, therefore, get together and strengthen their responses to the openings that the APRM offers.



## NEW PARTNERSHIP WITH DEVELOPED COUNTRIES

The new partnership for Africa's development is principally based on the African leaders' commitment to reforms ensuring democracy and sound economic and corporate governance, in exchange of a renegotiated financial partnership with the developed world. Two strategies are proposed in the NEPAD plan to be pursued with the group of eight highly industrialised countries (G8) to raise resources for Africa's development. The first strategy concerns increasing capital flows to Africa, and the second, improving market access. The capital flows initiative aims to mobilise domestic resources through improvements in the public revenue collection systems and increased domestic savings. However, the bulk of resources are expected to come from debt relief, increased overseas development assistance and foreign direct investments. The market access seeks to increase financial flows by improving and diversifying agricultural products, negotiating better terms of trade, and promoting mining, manufacturing, tourism and services (NEPAD, 2001:37-47).

African leaders have demonstrated their commitment to good governance and to the economic renewal of the continent through the Declaration on Democracy, Political, Economic and Corporate Governance, and the establishment of the APRM. The G8 countries on their side responded by releasing in June 2002 the G8-Africa Action Plan (AAP). Through this plan rich nations have promised "enhanced partnerships" if African countries can hold themselves to the principles of democratic and economic reforms through the self-monitoring instrument of the APRM. Paragraph 7 of the AAP is informative in this regard: "The peer review process will inform our considerations of eligibility for enhanced partnerships" (*G8-Africa Action Plan*, 2002:2). Thus, the APRM occupies a critical position in the new partnership between Africa and the G8.

Since the Africa Action Plan agreed to at Kananaskis, Canada, in 2002, developed countries have made significant strides in support of the NEPAD/APRM programmes and objectives. In areas, such as conflict





resolution and management on the continent, the AU has received a sizeable amount of support from the G8. The G8 members have also provided substantial support to the AU Peace and Security institutions and operations in the form of expertise, equipment, training, logistics, and finance (NEPAD Annual Report 2003/04:47). In addition to this, development assistance and debt relief have received a special attention. At the G8 Summit at Gleneagles in Scotland, the G8 leaders agreed to increase aid to Africa by \$25 billion per annum by 2010. Moreover, G8 countries have individually committed to meet commitments to earmark 0.7 per cent of their national income “GNI” to aid by 2015 (*G8 Gleneagles Report*, 2005:16).

Developed nations have now acknowledged that their aid policies have failed to address poverty in recipient countries, because they were often designed to support the political and economic interest of donor countries (*Commission for Africa*, 2005:22). Initiatives, such as the Paris Declaration of March 2005 on aid effectiveness, aim at improving relationships between the G8 countries and Africa. In the Paris Declaration, donors resolved to take far-reaching and monitorable actions to reform aid delivery and management, including:

- respect and ensure that the recipients exercise leadership over their development policies, and strategies, and coordinate development actions;
- align aid policies with national development strategies of recipient countries;
- harmonise donors actions in order to reduce duplication, and cumbersome procedures and promote aid effectiveness;
- implement aid in a way that focuses on desired results; and
- mutual accountability and transparency in the use of development resources. (Paris Declaration, 2005: 3-8)

On the area of debt relief, the G8 has agreed to a proposal to cancel 100 per cent of outstanding debts of poor countries to the IMF, World Bank and



African Development Fund under the Heavily Indebted Poor Countries (HIPC) initiative (*G8 Gleneagles Report*, 2005: 12-13). In 2002, sub-Saharan Africa's total debt stock was estimated at \$210 billion, and that of the whole continent at \$300 billion (UNCTAD, 2004:5-6). Eligibility for debt relief under the HIPC is conditional upon good governance and political stability ([www.worldbank.org/hipc](http://www.worldbank.org/hipc)). In June 2005, the Ministers of Finance of G8 countries ahead of their Heads of State Summit in Gleneagles struck a deal to cancel \$40 billion worth of debts owed by 18 HIPC. The following 14 African countries benefited from the June HIPC decision: Benin, Burkina Faso, Ethiopia, Ghana, Madagascar, Mali, Mauritania, Mozambique, Niger, Rwanda, Senegal, Tanzania, Uganda, and Zambia. Negotiations for total debt cancellation are still ongoing.

In the area of trade, much needs to be done. Although African countries have preferential market access under different schemes, such as the African Growth and Opportunity Act (AGOA), the Everything-But-Arms (EBA) initiative, and the Cotonou preferences, high tariffs and tariff peaks still limit African exports (UNECA, 2005b:4). It is estimated that trade barriers imposed by rich countries cost developing nations approximately US \$100 billion a year (Oxfam, 2002:5). The United States and the European Union have agreed to negotiate an end date for the elimination of all forms of agricultural subsidies as well as to achieve substantial reduction in trade distorting domestic support and substantial improvements in market access (*G8 Gleneagles*, 2005:16). However, the Doha round of trade talks held in December 2005 in Hong Kong failed to offer significant concessions that would benefit poor countries. Although there is still a long way to go, the financial support already earmarked and the pledges made by developed countries to help Africa in its development efforts signal that the new partnership and the policies of good governance that underpin the APRM will ultimately bear fruit.

## PROMOTING REGIONAL INTEGRATION AND DEVELOPMENT

In Africa, as already stated, the idea of regional integration started in the early years of independence, in the 1960s, perceived largely as an instrument for



safeguarding the recently acquired political freedom and a strategy towards economic development. This vision was consistent with academic evidence, which argues that regional cooperation and integration enable individual countries to achieve greater economic benefits (Balassa, 1961; Nye, 1968; Asante, 1997).

However, regional attempts in Africa have failed to yield expected results as evidenced by, among other things, poor economic growth, low levels of intra-regional trade and inability to attract investments. As indicated in the previous chapter, one of the major impediments to Africa's regional integration and development has been the widespread unrest, which makes it difficult to have fruitful regional trade and effective economic integration. The APRM as a mechanism that helps subscribed countries to adopt good policies and best practices of governance can contribute towards the achievement of regional goals in various ways.

First, the political governance review of the APRM seeks to foster the adoption of policies and mechanisms to prevent and reduce all types of intra- and inter-country conflicts (APRM/OSCI, 2003:6). Thus, it is reasonable to expect that, through its recommendations and monitoring, the peer review will reduce civil conflicts and wars, which have claimed millions of African lives, displaced people and destroyed economies. The setbacks in regional cooperation and integration resulting from wars and social strife will be significantly reduced, thus paving the way for fruitful regional cooperation and effective economic integration, as already intimated.

Secondly, the economic and corporate policy reforms suggested in the NEPAD and the APRM are not only important for attracting foreign investments but they are also essential to improve the macroeconomic environment, boosting economic growth and intra-regional trade and economic integration. Specifically, the African peer review seeks, in the area of economic governance, to accelerate regional integration by encouraging the harmonisation of monetary, trade, and investment policies among participating states (APRM/OSCI, 2003:16). President Paul Kagame of



Rwanda in his address to the ninth COMESA Summit held in Kampala on 7 June 2004 underscored the role of the APRM to expedite the process of regional integration. He said, “the APRM process will hasten the process of harmonisation of standards and practices, which will in turn accelerate continental economic integration that we see as the key to our own emancipation and development”.

Thirdly, the fact that the NEPAD and the APRM are internationally recognised as the formal frameworks of engagement with African states implies a shift and the development of a new intellectual framework in understanding and resolving African problems. Through the NEPAD/APRM, donors and development agencies can assist in accelerating the process of regional integration by using some of their aid packages to promote alternatives and projects that really advance African countries as integrated regions instead of single units.

## **CHALLENGES OF THE AFRICAN PEER REVIEW MECHANISM**

The creation of the NEPAD and the APRM as a means of achieving good political governance and sound economic management, and hence alleviating poverty in Africa has been widely welcomed. However, the initiatives have also, especially in Africa, created ideological differences among the states, business people, academia and civil societies. This section discusses some of the most critical challenges of an institutional and implementation nature that may impede the attainment of APRM objectives.

### **INSTITUTIONAL PARALYSIS**

The term “institution” has been used by scholars in two different ways, first to refer to an organisation, such as the African Union, and second to mean the rules used to structure patterns of interaction within and across organisations. In this study, the concept adopts latter meaning. By rules, as Ostrom defines the concept, one should understand shared prescriptions (must, must not, may) that are mutually understood and predictably enforced in particular situations by agents responsible for monitoring conduct and for imposing



sanctions (Ostrom, 1999:37). Ostrom further argues that the stability of rule-ordered actions depends essentially upon two things: the shared meaning of values and commitments as expressed in words used to formulate a set of rules; and the existence of an institutional system to monitor compliance with rules and to impose sanctions (Ostrom, 1999:37).

Because rules are mutual understandings among those involved, which refer to enforced prescriptions about what actions are required, prohibited or permitted, the shared understanding of rules is a key factor in ensuring compliance. The institutional system regulates the exercise of authority and ensures compliance by setting up incentive schemes and commitment mechanisms (Ostrom, 1999). Thus, the design of institutional arrangements is crucial, because it can create very different incentives, which lead members to interact in either compliant or non-compliant ways. Therefore, an institutional analysis of the APRM involves the examination of the above-mentioned issues. First, one needs to interrogate whether there has been or has not been a shared understanding of the rules, which form the basis of the African peer review initiative. This is thought to ensure the acceptability and credibility of the peer review mechanism. Secondly, the analysis focuses on the configuration of the institutional system to determine its effectiveness in bringing African states into compliance with agreed commitments.

### **Shared commitments or donor imposed agenda**

The new initiatives for good governance and development in Africa, NEPAD and the APRM, have met tough local criticism. Several African scholars have criticized the new strategies for Africa's development for having been developed behind closed doors, without the input of African citizenry (Herbert, 2002:109; Olukoshi, 2002:9; Tandon, 2002:1). African civil society organisations accuse leaders championing NEPAD of having disregarded democratic principles by failing to consult and explain their vision of African recovery to their citizens before they could table it in front of the G-8 countries (see the Bamako Declaration passed by the African Social Forum in 2002).



Some critics go further in discrediting the NEPAD initiative as a donor imposed development plan repackaged under the alleged African ownership (Olukushi, 2002:9). Olukushi is not alone in denouncing the new partnership. According to the Group for Research and Initiatives for the Liberation of Africa (GRILA), NEPAD is a "...self-declared continental development plan" sought to expand the Structural Adjustment Programme (SAP), which is the "hard pill many African countries have been forced to swallow since the 80s..." ([www.grila.org/nepad\\_body.htm](http://www.grila.org/nepad_body.htm)). Critics debunk the paradigm basis of NEPAD, according to which the market, through massive injection of capital, in particular private capital flows, will spur African development, because the free market approach to development has lamentably failed in Africa since the structural adjustment in the 1980s (Adedeji, 2002:4). Adebayo Adedeji, one of the eminent Africans on the APRM, a man who has been at the centre of Africa's development strategies since the Lagos Plan (1980) cautioned NEPAD architects against liberal policies, which focus on foreign capital to spur the development process.

Adedeji (2002:8) notes:

Quite understandably the NEPAD song is at present more soothing to the ears of the West than that of the LPA. The development merchant system (DMS) and its marabous appear to have been re-energised and the two-gap model of economic growth, which drew African countries into the debt trap, has been reactivated and rejuvenated. The protagonists of NEPAD should never forget that it was this model that exacerbated the dependency syndrome of the African economies and at the same time led to mass pauperisation and deprivation of the African people.

Here, the architects of NEPAD undertake to adopt the "new partnership" based on the neo-liberal model without questioning whether this type is best suited for Africa in terms of economic realities and the quest for sustainable human development. This is an approach that forces policy makers to follow the dictates of the global free market and makes issues of democracy and human rights (such as equality and a better life for all) secondary. By limiting the scope of government, the neo-liberal approach favours the market economy, which promotes the interests of the already financially strong, particularly the investors and businesses, at the expense of the poor. The



experience of the implementation of SAPs in Africa has shown that key sectors of the national economy, including health and education, with no high returns to investors suffer a great deal when neo-liberal policies are applied (Ake, 1996:33).

The contention on values and principles of the NEPAD is even fiercer when it comes to its political governance aspect. In fact, the partnership is premised on the reasoning that Africa upholds the tenets of good governance, and in exchange, the developed countries (mostly the G8 countries and the BWI) give more aid, debt relief, and open up their markets. When the highly industrialised nations released the G8-Africa Action Plan, at Kananaskis in Canada, 2002, they made it clear that they will support the partnership with those countries pursuing democratic governance and market policies and submit to peer reviews (G8-Africa Action Plan, 2002: para 4, and 7). Therefore, the African peer review mechanism is one of the conditions for the new partnership deal.

In the NEPAD document, African leaders have committed to respect the “global standards of democracy”, the core components of which include political pluralism, which allows for the existence of multiple political parties and workers unions, and fair, open and democratic elections periodically organised to enable people to choose their leaders (NEPAD, 2001: para 79). The choice of “global standards of democracy” begs the question of whether there are other values of democracy, such as African values, which could guide African communities in their development endeavours. Today, it is increasingly accepted that no “standard model of democracy” exists, and that each country should find its own path to it. These are some of the elements that emerged during the Parliamentarians’ Forum on “Good Governance in Africa” convened on 21-22 October 2004 in Berlin, Germany (Terlinden, 2004 at [http://www.inwent.org/ef-texte/africa/rep\\_htm](http://www.inwent.org/ef-texte/africa/rep_htm)).

The emphasis on liberal western democracy by NEPAD casts doubts on the good faith of embracing principles of good governance and peer review. As Olukoshi (2002:5) notes,





The democracy and governance initiative of the NEPAD raises more questions than it answers and, on a more critical examination, seems designed more to pander to a donor audience than responding to, or representing the concerns of the domestic forces in the vanguard of the struggle for the reform of the political space and developmental agenda.

There appears to be general scepticism about the idea of the peer review mechanism. On the one hand, the above comments of Olukoshi point to fears that commitments by African leaders to political reforms may be superficial as they appear to respond to pressures from donors and the international lending agencies, thus leading to “convenient democracies”, which do not address the concerns of Africans for genuine political reform. On the other hand, many African leaders have adopted the “wait and see” approach. Some 30 African countries have not yet joined the APRM. Although there may be various reasons for non-participation, it appears that African leaders see the APRM as a scorecard, and fear that the review mechanism could threaten state sovereignty by allowing outsiders to impose governance or have an “invisible hand” in their governance. Thus, despite the imperatives for good governance in Africa, the APRM suffers from lack of broad buy-in. Collective acceptance and efforts are necessary for the African peer review to root out the ills of governance, such as corruption, clientelism and lack of accountability.

### **Leadership authority of the NEPAD and the APRM**

Leadership authority of the NEPAD and APRM is another contentious area. Despite the objectives of the NEPAD and the APRM to improve governance and spur Africa’s development, some sceptical analyses consider these initiatives as furtive tools of the South African foreign policy for economic nationalism and quicker integration in the globalised economy (Bond, 2002; Keet, 2003; Naidu, 2003). The question arises as what has triggered these rejectionist theories? Below are some reasons that might have led to the understanding (or misinterpretation) of the NEPAD and the APRM as clandestine strategies of the South African economic expansionism.

The first reason is related to the emerging conditions of the NEPAD programme. As already mentioned, NEPAD was born out of two main





documents: the Millennium Partnership for Africa Recovery Plan (MAP) put forward by President Mbeki of South Africa, Obasanjo of Nigeria and Bouteflika of Algeria, and the Omega plan of President Wade of Senegal. Although the three Presidents participated in the drafting of the MAP, the international and local media has widely portrayed President Mbeki as its principal architect and most passionate promoter (Herbert, 2002:96). Furthermore, the perception of South African domination was fuelled by the fact that the final document of the NEPAD adopted in October 2001 in Abuja, Nigeria, kept the MAP structure and most of its phraseology.

Secondly, and perhaps the most important reason, relates to the content of the NEPAD, mainly its economic policies and their implications for many African countries. NEPAD, in different paragraphs, demonstrates the role the international economic system has played in impoverishing the continent. Paragraph 3 of the NEPAD document outlines the following:

Historically, accession to the institutions of the international community, the credit and aid binomial has underlined the logic of African development. Credit has led to the debt deadlock, which from instalments to rescheduling still exists and hinders the growth of African countries. ... Globalisation has increased the cost of Africa's ability to compete....(NEPAD, 2001: para 3 and 28)

From this diagnosis, one would expect a development strategy that deals with this exploitation and dependence position, which Africa has been a victim for centuries. Paradoxically, however, the NEPAD strategy appears to legitimise and reinforce this situation by putting the market ideology at the centre of financing and driving Africa's development. According to NEPAD, to halt the underdevelopment and meet the millennium development goals, in particular the goal of reducing by half by 2015 the proportion of people living in poverty, Africa needs massive and sustained resources, estimated at US \$64 billion annually, the bulk of which need to be obtained essentially from private capitals (NEPAD, 2001: para 144). The architects of the NEPAD hope that this time around the West will keep their promises and that greater integration in the global economy and liberalization will save Africa as illustrated in this passage: "We hold that the advantages of an effectively managed integration



present the best prospects for future economic prosperity and poverty reduction...” (NEPAD, 2001: para 28).

The market/liberal approach to development in Africa has cast doubt on the real motives of the NEPAD’s architects. For some critics, the NEPAD represents the South African strategy for closer integration into the dominant structures of the world economy (Keet, 2003:26; Naidu, 2003:1). Indeed, emerging economies, of which South Africa is part, in their efforts to join the West must prove serious in the implementation of the international liberal order (Grant and Nijman, 1998:188). In this context, South Africa’s relations with Africa and the promotion of the NEPAD and the APRM can be simply understood as about “making the continent safe to do business” (Le Pere and Van Nieuwkerk, 2002:179).

Indeed, deeper analysis of the market strategy of NEPAD raises several questions. How the profit-oriented transnational corporate can assist in poverty reduction in small, poor, landlocked and non-endowed countries, such as Burundi, Rwanda, Lesotho, Swaziland, Niger, Burkina Faso, the Central African Republic, and many other sub-Saharan poor African nations burdened by bad geographic position, and other development problems? How can poor countries with virtually no private sector (entrepreneurial contenders) benefit from a highly competitive and unfettered liberalised global economy?

The experience of rapid economic growth of East Asian countries which has been attributed to massive private capital flows, in particular foreign direct investments, has fuelled the general belief that the development financing needs of all developing countries could be met by the normal working of the market. A closer look at the trend of these flows to developing countries challenges this assumption, as the large flows have been concentrated in a handful of countries, namely, the so-called emerging market economies (UNCTAD, 2005:2). Africa has been able to attract an insignificant amount of these resources. In 2004, from a very low base, FDI flows to Africa increased to US \$20 billion. This compares to \$166 billion into Asia and the Pacific, and \$69 billion to Latin America and the Caribbean. Most importantly, however,



nearly all of these private capital flows go to a few countries, rich in natural resources (oil, diamonds, gold, platinum and palladium): Algeria, Angola, Libya, Nigeria, Morocco and Tunisia, with the biggest share to South Africa (UNCTAD, 2005:4).

Thus, poor and non-endowed African economies will find it hard to attract foreign investments, and it is illusory to build their development strategy on these resources. At present, South Africa and Nigeria (to a lesser extent) stand as the only sub-Saharan African countries that can substantially benefit from rapid integration into the world economy via “liberalisation” and “market-led growth” strategies adopted in the NEPAD. Indeed, South Africa has a developed industrial market economy, a substantial technological base, an indigenous business class, all of which are essential to benefit in the highly competitive free market. Research demonstrates that globalisation works with and for the already strong and well endowed; and its radical liberalisation and unfettered competition deepen the disadvantages of the weak (Keet, 1999:3; Adejumobi, 2002:1). Similar conclusions were made by recent analyses of a group of USA Intelligence experts on sub-Saharan Africa. They say,

NEPAD consumes a significant portion of current African discussions on development and, critically, is a substantial part of South Africa and Nigeria's foreign policies. It is hardly exceptional for the weak to put their faith in international institutions that they will influence by fiat, or—as in the case of NEPAD—create outright, rather than in markets that will be dominated by the strong. (US National Intelligence Council, May, 2005)

The above arguments about the NEPAD and APRM highlight the perceptions that prevail among policymakers, scholars, practitioners, and civil society actors. However, they are difficult to justify. The fact that specific countries provide leadership for these initiatives does not mean that they are after their interests at the expense of others. Examples elsewhere suggest similar leadership behaviour. France and Germany are known to have provided strong leadership to the establishment and consolidation of what is known as the European Union.



## **Voluntary participation**

The founding document of the African Peer Review Mechanism defines APRM as an African self-monitoring mechanism voluntarily acceded to by member states of the African Union (APRM base document, 2003:1). This institutional configuration is, however, problematic. Making accession to the peer review voluntary while the APRM is an integral part of the new blueprint for Africa's development and is considered the most critical aspect for the success of the plan negates the holistic approach of the NEPAD. African leaders agreed in the new plan that good political, corporate and economic governance are prerequisites for Africa's development. Paragraph 71 of NEPAD states:

African leaders have learned from their own experiences that peace, security, democracy, good governance, human rights and sound economic management are conditions for sustainable development. They are making a pledge to work, both individually and collectively, to promote these principles in their countries and sub-regions and on the continent.

Through the above statement, African leaders make a collective pledge to create an institutional and policy environment conducive to the success of NEPAD. One wonders why, therefore, with all the commitments and political will that African leaders have shown in the NEPAD, have they made the APRM a voluntary mechanism. This question is more easily posed than answered.

There are a number of issues that need to be evoked when analysing voluntary participation. First, the issue of national sovereignty, which is enshrined in the Constitutive Act of the AU, must be respected. However, this sovereignty has, for many years, protected dictators in Africa under the banner of the "non-interference" of states in the internal affairs of other states. Although the new Constitutive Act gives the AU the right to intervene in internal affairs, this can only happen in cases of grave circumstances, namely, war crimes, genocide, and crime against humanity (Article 4(h) of the Constitutive Act of the AU of 2000). For some African leaders, the idea of external evaluators coming to analyse and criticise the way a country



manages its affairs is absurd. This is illustrated by these comments of President Wade of Senegal: "It is unrealistic," Wade said, "How do you think I can tell a president in a country that his election or his treatment of the press was not regular... I do not believe in it" (Reuters, July 8, 2002). While the government of Senegal has signed the MoU on the APRM and thereby accepted to be peer reviewed, the above comments underscore the uneasiness of some Heads of State about the peer review.

Indeed, the practice of peer review, which allows countries to assess other countries' governance (in all areas), is new in Africa. Developed countries have accepted the intrusive regular peer reviews for many years under the auspices of the Organisation for Economic Cooperation and Development (OECD), but these have been primarily economic. No doubt, the APRM is a sensitive political process that will take time and means of engagement for African leaders to accept the idea of external review, particularly in the political domain.

The ideals of democracy that the APRM seeks to induce in countries force the mechanism to exemplify these democratic values. Thus, to be legitimate and democratic, participation in the APRM cannot be forced upon countries. Voluntary participation is thus the best way, which gives assurance that those countries that have freely agreed to enter into peer review agreements are aware of the requirements and constraints brought by the APRM and would do what it takes to abide by the commitments made.

However, the voluntary nature of the APRM constitutes a serious impediment to the attainment of the NEPAD goals. Indeed, NEPAD's viability if measured in terms of creating a better environment of governance (including political stability, and effective laws and institutions) for greater investment flows and trade, then voluntary participation is a high risk approach since it undermines collective efforts to address the obstacles to Africa's development, including negative perceptions of the continent. Experience in Africa has demonstrated that poor governance in one country can have far-reaching negative implications for the whole region. More than not, companies make investment



decisions based on perceptions rather than objective criteria. Research indicates that investors discount African economies more than other economies (Humphreys and Bates, 2002:3). More importantly, however, with voluntary participation, many of the projects under the NEPAD and the AU which require harmonisation of policies and sanitisation of institutions are unlikely to be attained. These include the regional integration project of the AU with its concomitant sectoral projects.

For the promoters of the NEPAD and the APRM, adherence to the principles and norms of good governance and opening up for the APRM reviews should be compulsory for all African states wanting to benefit from the NEPAD. South African Finance Minister, Trevor Manuel, addressing the Africa Investment Forum said that if he had his way signing up to peer review would be a prerequisite for countries to reap benefits from the NEPAD. According to Manuel, it is not acceptable for “misbehaving governments” to expect sharing equally in the benefits of the NEPAD (*Business Day*, 15 September 2004). Indeed, it is ironic that countries, such as Libya, Tunisia and Botswana, sit on the NEPAD implementation committee (which oversees and coordinates the implementation of NEPAD projects) but have not yet acceded to the NEPAD code of conduct and peer review.

Nonetheless, voluntary participation is currently the only legitimate, practical and effective way available to the APRM to champion the tenets of good governance. The APRM’s primary mission is to help willing states improve their governance as a precondition for national and regional development and integration. These ideals cannot be forced on sovereign states, especially in the context of the founding provisions of the AU. Instead, strategic incentive schemes and commitment mechanisms are required to motivate countries to accede to the peer review mechanism. There is a detailed discussion on incentives in Chapter six.

### **Absence of enforcement mechanisms**

The Memorandum of Understanding on the African Peer Review Mechanism is a political affirmation of commitments and not a binding document. As a



result, the APRM has been lampooned by critics for lacking teeth (Cilliers, 2003:14; Herbert, 2003:9; Kajee, 2004:12). As already stated, the APRM is a non-punitive, non-adversarial process. It assumes, like the managerial school on international regimes (Chayes and Chayes, 1995:9), that participating countries will act in good faith, and that problems of non-compliance that may arise are to be found in financial constraints or political difficulties, which need to be solved through dialogue and cooperative efforts and not sanctions. President Obasanjo, at the third Summit of the APR Forum in Abuja Nigeria, in June 2005, reiterated this character of the APRM: “the APRM, in case anyone is still in doubt, is not an instrument for punishment or exclusion, but rather it is a mechanism to identify our strong points, share experiences, and help rectify our weak areas” ([http://www.nepad.org/2005/files/communiques/speech\\_19605abuja.pdf](http://www.nepad.org/2005/files/communiques/speech_19605abuja.pdf)).

Thus, from an African viewpoint, the peer review process is more a peer learning process, a framework allowing set objectives to be met over time, rather than an instrument for benchmarking and punishing poor performers. However, the fact that the APRM is a non-binding mechanism raises questions as to how to ensure implementation and compliance by countries. It is important to highlight the protocols of engagement in a situation where a country fails to comply with its commitments. The APRM base document states:

If the Government of the country in question shows a demonstrable will to rectify the shortcomings, then it will be incumbent upon participating Governments to provide what assistance they can, as well as to urge donor governments and agencies also to come to the assistance of the country reviewed. However, if the political will is not forthcoming from the Government, the participating states should first do everything practicable to engage it in constructive dialogue, offering in the process technical and other appropriate assistance. If dialogue proves unavailing, the participating Heads of State and Government may wish to put the Government on notice of their collective intention to proceed with appropriate measures by a given date. The interval should concentrate the mind of the Government and provide a further opportunity for addressing the identified shortcomings under a process of constructive dialogue. All considered, such measures should always be utilised as a last resort. (APRM, 2003:5)

From the above statement, it is clear that measures to be taken against failing countries are not specified. Understandably, taking some measures against





failing states may be a source of international discord and contention, which may jeopardize all cooperative undertakings in Africa. However, the assumption that countries will act in good faith is also defective. In Chapter Four of this study, it emerged that poor governance and its consequences have in many cases been the result of bad choices by power-holders/leaders, whose main concern has been the consolidation of their power and political control. Thus, the non-enforcement approach of the African peer review is likely to reinforce the incentive for non-compliance.

The challenge facing the APRM and African leaders championing the principles of good governance is that, while in politics the soft approach might be the correct *modus operandi*, this arrangement will do little to change the behaviour of bad leaders or to bring them to implement policies that are in line with the APRM values and principles. In addition, this model is unlikely to convince donors and capital markets that fundamental changes are taking place, which may harm the financing strategies of the NEPAD. Thus, to gain credibility and respect, the APRM should find ways and incentives to encourage and sustain good governance practices in Africa. (These will be further discussed under Recommendations).

## DIFFICULTIES OF IMPLEMENTATION

Research on the implementation of policies and programmes is very informative on the difficulties and challenges that occur once values have been authoritatively proclaimed. It has been discovered that implementation is more a complex political process, which involves a number of variables that have to be controlled and satisfied for successful implementation than a mechanical administrative one (Pressman and Wildavsky, 1973). Implementation becomes even more complex and difficult in the context of international regimes. This is so because the implementation of international agreements depends largely on the willingness of individual countries. As sovereign states, they cannot be compelled to implement commitments by force, instead in most of the cases, as Pagani (2002:6) argues, compliance





with international commitments is sought through “soft law”, that is, mechanisms of dialogue and persuasion. The foregoing discussion pointed to institutional challenges, such as the voluntary participation and lack of enforcement mechanisms as key obstacles for the implementation of the peer review. The focus here is on other factors, more of an operational nature, which are equally essential for the successful implementation of the African peer review.

### **Content of the APRM: questionnaire, standards, criteria and indicators**

The content of the policy defined as the ensemble of goals the policy sets out to achieve and the specific methods it uses to reach its objectives are crucial for successful implementation (Pressman and Wildavsky, 1973). The African peer review is a comprehensive assessment of four areas of governance: democracy and political governance, economic, corporate, and socio-economic development. The APRM document defines 24 major objectives to be achieved, and which are to be judged against major international treaties, declarations, and standards relevant to the work of the APRM. In addition, the document encompasses some 78 criteria and 93 examples of indicators that must be evaluated (APRM/OSCI, 2003:5-29). It has been argued that this scope for the African peer review is too broad and too detailed to be sensibly handled (Kanbur, 2004:9). While this concern is valid, this would depend, however, on the number of experts and time frames to carry out the job. Most of the work (developing background papers) is contracted out to various consultants and experts according to the areas of review. Furthermore, various partner institutions, such as the UNDP Africa Bureau, the ECA and the ADB provide human expertise assistance to the APRM Secretariat, which gives assurance that the technical assessments can be professionally handled.

Botswana presented similar arguments explaining a reluctance to join the APRM process. Botswana has indicated that it would not participate in the review process because of the nature of its operation. The Permanent Secretary for Development in Botswana, Modise Modise, has indicated that



Botswana feels that the focus of the APRM should be on political issues. The minister declared:

On some issues that the APRM is concerned with, such as economic matters, there may already be institutions that African countries belong to, such as the African Development Bank, Economic Commission for Africa, World Bank, IMF, UN whose reports could be utilised to avoid unnecessary duplication (*Tautona Times*, 2004 [http://www.sarpn.org.za /documents /d0000725/index.php](http://www.sarpn.org.za/documents/d0000725/index.php))

It is true that the African peer review is wide, embracing all the issues from political, to economic, social development and corporate governance. However, the argument of risk of duplication with other reviews conducted by international organisations, such as the IMF as advanced by the government of Botswana, is tenuous. The purpose of the African peer review is principally to open up dialogue and debate on policy decisions and their implementation for the country under review. Thus, the APRM assessments need to be all-inclusive of political, social and economic issues. Furthermore, APRM reviews will work best if they are part of a wide range of evaluations, in which case, their findings can be challenged, or they can provide a counterweight to donor and other external assessments. However, this study also supports the streamlining of the content of the peer review but for another purpose: to focus on those policies and issues that are critical for the success of the NEPAD goals. It is suggested that the questionnaire, that is, objectives, standards, criteria and indicators, be aligned with NEPAD objectives and priorities. How this can be done is explained in the Recommendations.

### **Administrative capacity for implementation**

Scholarship on implementation concurs that administrative capacity is a requisite for effective implementation of any policy or project (O'Toole, 1986:189). The administrative capacity refers to the availability of resources (financial and human), to carry out the changes desired by policies or programmes. Indeed, the credibility and sustainability of the APRM does not only depend on the political will of African leaders to open up their governments to scrutiny, but also on the competence and capacity of the APRM Secretariat and National APRM structures to effect a credible peer



review process. The APRM base document states it clearly that “every review carried out under the authority of the Mechanism must be technically competent, credible, and free of political manipulation” (APRM, 2003:1). Thus, for credible and professional peer review, the Secretariat must guarantee competence and independence. This means that evaluators must be qualified in the areas of assessment, objective, and fair in their judgement, and that countries under scrutiny should not influence the process in any way. Furthermore, competent review will be a function of human, material and financial resources made available for the process of self-assessment in the country.

In terms of human resources, the APRM Secretariat is staffed by a small team of personnel. The team comprises the Executive Director of the APRM Secretariat, three coordinators in charge of the political governance, corporate governance and socio-economic development, two researchers and an administrative secretarial staff. The APRM Secretariat also uses the expertise of partner institutions (such as the Africa Development Bank, the United Nations Economic Commission of Africa, and the United Nations for Development Programme) and consultants who do most of the technical work, that is, developing background papers, conducting field reviews and compiling reports. Given the sluggishness in the implementation of the APRM, it can be argued that the situation is caused (at least in part) by a shortage of personnel at the Secretariat to professionally carry out the reviews within the required time.

Administrative and technical challenges for carrying out the peer review process are also found at the country level. In many African countries, the capacity to analyse policies is weak among government agencies, academia, and civil society organisations. In most African countries, when evaluations are carried out, they deal more with compliance with rules than with impacts of policies. Furthermore, there are relatively few systematic and accurate data available for analysis, which results from either poor systems or shortage of qualified statisticians (Koranteng, 2000:78; Odhiambo, 2000:71). The problem of shortage of qualified practitioners/professionals in Africa is exacerbated by



the misplacement of human resources often for political considerations.

Moreover, the concept of capacity is not only limited to administrative resources. Capacity refers equally to institutional development and the ability of the state to govern and influence society (OECD, 2003:19). As highlighted in Chapter 4, institutions of governance, such as the parliament, judiciary and bureaucracies are, in many African countries, too weak to ensure effective governance. Therefore, to start up a process of dialogue about national policies and governance issues as required by the APRM is challenging, especially because popular participation is foreign to many African countries. Thus, political commitment at the highest level of government is imperative to drive the process and bring about the necessary changes demanded by the APRM. The process is likely to be stalled if at the national level this commitment is not available.

In terms of finance, the African peer review process is funded by contributions from participating countries and financial support from donors. At the first Summit of the APR Forum in Kigali, in February 2004, African Heads of State and Government participating in the APRM unanimously approved that each participating country must avail a minimum of US \$100000 for the operationalisation of the APRM. This amount, however, does not include funding the APR processes at the country level. Furthermore, an “APRM Trust Fund”, to be managed by the UNDP, was established into which donors and African countries can put their financial support. So far contributions to the Trust Fund are as follows: the UNDP has contributed \$ 2.7 million, Algeria \$1 million, Canada \$560000, Spain \$150000 and the UK Department for International Development has pledged \$2 million (APRM Secretariat, 2005).

Funding the process from African coffers would ensure African ownership and leadership of the APRM. According to the study conducted by the South African Institute of International Affairs, the set contribution is relatively low, as a comprehensive peer review is estimated to cost about US \$400000 for each country (Herbert, 2003:10). However, even with the amount to which they commonly agree, African leaders are failing to pay their contributions.



President Obasanjo, the chair of the APR Forum and the HISGC at the third Summit of the APR Forum in Abuja, in June 2005, noted the disappointing financial contributions of African countries to the APRM operations ([www.nepad.org/2005/communiqués/speech\\_19605abuja.pdf](http://www.nepad.org/2005/communiqués/speech_19605abuja.pdf)). There have been claims that APRM operations are largely maintained by funds from donors and the South African government (Kajee, 2004:9). If these claims are true, then the sustainability of the APRM is in jeopardy, because there is no guarantee that the unwavering support from South Africa will remain; especially once President Mbeki, “the African Renaissance man”, as he is affectionately referred to, is out of office.

While for some poor countries depending on aid and struggling to provide services to their citizens, allocating US \$100000 to the APR Secretariat for the peer review may be challenging, there appears to be a habit among African states of not paying their dues. For instance in 2004, the member states paid only \$13 million of the AU's \$43 million annual budget. Seven countries face AU sanctions, including Central African Republic, Democratic Republic of Congo and Guinea Bissau, for non-payment of AU dues, thereby losing their voting rights (<http://www.irinnews.org/print.asp?ReportID=42108>). The process of peer review is a costly exercise and countries must be ready to commit sufficient financial resources not only for a professional process but also for the sustainability and ownership of the APRM. Permitting free riders discourages willing and bona fide members. African leaders would, therefore, have to develop some formula, which would look at how every participating country can contribute according to its financial capacity. The formula needs to be in line with AU provisions, in particular the principle of sovereign equality, to avoid problems that might arise from “big brother” attitude. It is imperative to have a regulated source of funding. Ignoring this would be signing a death warrant of the APRM.

### **Role of stakeholders in the APRM process**

The APRM has acknowledged the critical role of all stakeholders, including the civil society and the private sector in governance and development, and



opened up space for participation through the establishment of national coordinating structures. However, the effectiveness of participation depends on many factors, chief among them being the space opened up, the independence allowed, and the capacity of stakeholders for meaningful contribution to the whole process, from the review to the implementation and monitoring of the Programme of Action. The literature on African civil society reveals the weakness of civil society organisations to effectively engage the state in policy dialogue (Kasfir 1998:6; Mukamunana, 2002:54). Thompson (1997:5) argues that the political problems in most African countries are the result of how the state and civil society have failed to engage one another productively. Therefore, the dynamics of relationships between the state and the civil society are determinant for the outcome of peer review.

Where civil society is weak, policy dialogue and provision of alternatives are likely to be poor. Yet, powerful interest groups, including bureaucracies, politicians, business groups, and labour unions may stall or sabotage the process, especially when policies of transformation, which affect their interests, are at the centre of debate. Recently in Kenya, political actors, including ministers and senior officials sabotaged anti-corruption policies that the government of Mwai Kibaki attempted to implement after mounting donor pressure to cut off aid (BBC News, 23 February 2005, <http://secure.uk.imrworldwide.com/v51js>). It is important, therefore, for those responsible for the peer review to understand these factors in order to devise mechanisms for the fruitful participation of stakeholders.

The rollout of the APRM in the first peer reviewed countries has raised questions about the capacity and independence of civil society, hence its contribution to the whole peer review process. According to the South African Institute for International Affairs (SAIIA), which conducted seminars on civil society and the APRM in the first four countries which underwent the peer review, namely, Ghana, Rwanda, Kenya, and Mauritius, actors of civil society were not aware of either their role or the opportunities for engagement with the process. SAIIA also raised concerns that representation in the national



APRM structures was undemocratic (Kajee, 2004:10).

The problem is in fact that the APRM does not provide clear guidelines for the composition of the National Governing Council, nor for the selection of the national stakeholders. This loophole gives the government wide discretionary powers on deciding who should participate in the peer review process. Consequently, in some countries, the NGC was dominated by government representatives. This raises the danger of cooptation of civil society by the government to the extent that critical voices from civil society are deliberately excluded, or controlled, which would undermine the effective participation and contribution of the civil society to the APRM process.

## **CONCLUSION**

The analysis of the African peer review mechanism (APRM) reveals that the mechanism is potentially a decisive tool of cooperation between AU Member States for the achievement of NEPAD goals. Peer assessments afford African countries the opportunity to exchange ideas and share their experiences and international best practices in relation to governance and policy matters. It presents a forum of peer learning and regional and continental cooperation in which the challenges facing African countries, both individually and collectively, can be tackled. However, the mechanism is fraught with challenges. Voluntary participation and lack of enforcement measures are likely to hold back the process of procuring better governance and policy reforms on the continent. Furthermore, issues of administrative capacity, funding and participation of civil society need to be addressed for the peer review to be credible, effective and sustainable. Effective participation calls for capacity building of all stakeholders, and particularly the “oversight” institutions, such as the parliament, political parties, and civil society groups, to ensure that the APRM findings are translated into binding political commitments to be implemented. The next chapter summarises the main findings of this study and discusses the recommendations proposed to enhance the effectiveness of the APRM.