

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

## 3 The Way Forward

### 3.1 The Principle of Subsidiarity

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

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



## 3.2 Classification of Projects

The STAP review team has analysed likely roles and responsibilities and concluded that they are different for different types of projects. This fact may well have contributed to the misunderstanding over roles and responsibilities. In an attempt to structure the process of clarifying roles and responsibilities, a suggested classification system under which the roles and responsibilities would be the same within each category has developed. This proposed classification will serve as a suggested starting point for consultations and dialogue between the NEPAD Secretariat and the RECs on this question. The classification comprises of six categories:

### 1 Country-to-Country Projects<sup>5</sup>

This category represents the lowest level of subsidiarity. The countries involved would be able to handle the identification, preparation, funding, negotiations, etcetera, of the project and programmes by themselves. The projects and programmes may have regional implications that would be limited to a small group of countries within the REC. There would therefore be little or no need for the direct involvement of RECs.

#### Examples

- Power interconnections, e.g. Nigeria-Bénin;
- Corridor projects, e.g. Maputo Corridor.

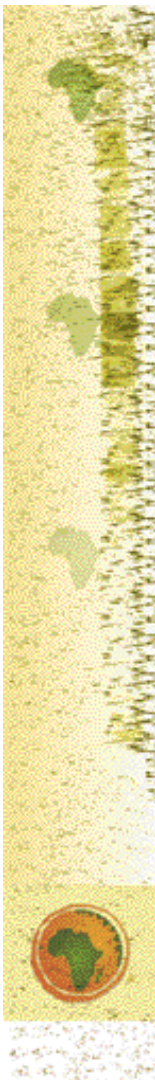
#### Roles and Responsibilities

- Countries involved:
  - To handle all project development and implementation activities.
- The REC
  - Obtaining information;
  - Putting the project in the NEPAD Programme (STAP);
  - Monitoring project compliance with the relevant REC protocols;
  - Being available to help resolve issues.
- NEPAD
  - No pro-active involvement.

### 2 Multi-country, Non-REC projects

In some cases, multi-country arrangements have been put in place without the involvement of the RECs. Sometimes they reflect a lack of REC capacity and/or the complexity of working across RECs; sometimes they are simply the result of a determined initiative on the part of the countries involved. They normally have broad regional implications, but do not require REC interventions to make them work. These projects are important enough to be placed on the NEPAD agenda; in some cases they would constitute excellent examples of what NEPAD is trying to achieve.

<sup>5</sup> This category would also include projects in a single country that have multi-country or regional implications. This applies particularly to ports that serve landlocked countries.



#### Examples

- The Nile Basin Initiative.

#### Roles and Responsibilities

- Countries involved
  - To handle project development and implementation activities.
- The REC
  - Obtaining information;
  - Putting the project in the NEPAD Programme (STAP);
  - Monitoring project compliance with the relevant REC protocols;
  - Being available to help resolve issues.
- NEPAD
  - In the event that these are important projects, NEPAD would play a facilitating role to ensure that the funding agencies are kept aware of the importance of the projects to NEPAD.

### 3 Country to country + private sector projects

In this category, the countries and private sector would be able to handle the project development and negotiations themselves, with little or no REC involvement required.

#### Examples

- Algeria-Morocco-Spain Gas Connection;
- Cote d'Ivoire-Burkina Railway.

#### Roles and Responsibilities

- Countries involved plus Private Sector.
  - To handle project development and implementation activities.
- The REC
  - Obtaining information;
  - Putting the project in the NEPAD Programme (STAP);
  - Monitoring project compliance with the relevant REC protocols;
  - Being available to help resolve issues.
- NEPAD
  - In the event that these are important projects, NEPAD would play a facilitating role to ensure that the funding agencies are kept aware of the importance of the projects to NEPAD.

### 4 Projects requiring REC involvement

This category applies specifically when there are typically broad/regional externalities



that require more than usual cooperation to develop and which the countries themselves may not perceive. This would happen, for example, when creating the externalities would require a regional promoter to undertake region-wide studies, to facilitate and promote the harmonization of policies and regulatory frameworks and/or to undertake promotion, facilitation and sensitisation of country partner institutions and agencies.

#### Examples

- Power pools (SAPP, WAPP...);
- Integrated telecom markets;
- Completing regional highway networks.

#### Roles and Responsibilities

- Countries involved.
  - To handle all project development and implementation activities for components within their territories.
- The RECs
  - Putting the project in the NEPAD Programme (STAP);
  - Project conceptualisation;
  - Negotiations with funding agencies for funding;
  - Background studies;
  - Monitoring project compliance with the relevant REC protocols;
  - Organising reviews with stakeholders;
  - Promoting the harmonisation of policies, regulations, agencies, tariffs, etcetera;
  - Having model legal documents produced;
  - Coordinating the actions of countries concerned in carrying out their respective components and project activities;
  - Being available to help resolve issues.
- NEPAD
  - In the event that these are important projects, NEPAD would play a facilitating role to ensure that funding agencies are kept aware of the importance of the projects to NEPAD;
  - On more important projects, assisting the RECs and the countries to approach funding agencies to obtain funding;
  - Being available to help mobilise political support and to resolve political issues.

#### 5 Projects of continental scale

This category comprise projects that require cooperation at the level of the continent or a substantial part of it, where the externalities go beyond a single REC, projects where the problems are so common that economies of scale in analysis and promulgation could be achieved by taking a continental approach and projects for which the expertise required is more specialized that could be effectively developed in all RECs simultaneously.



## Examples

- Implementing the Yamoussoukro Decision;
- Projects concerning air security and management of upper air space;
- Certain telecommunications projects;
- Transport facilitation, observatories, common customs posts.

## Roles and Responsibilities

- Countries involved.
  - To handle project development and implementation activities for components within their territories.
- The RECs
  - Putting the project in the NEPAD Programme (STAP);
  - Project conceptualisation;
  - Negotiations with funding agencies for funding;
  - Background studies;
  - Monitoring project compliance with the relevant REC protocols;
  - Organising reviews with stakeholders;
  - Promoting the harmonisation of policies, regulations, agencies, tariffs, etcetera;
  - Having model legal documents produced;
  - Coordinating the actions of countries concerned in carrying out their respective components and project activities;
  - Being available to help resolve issues.
- The Project Promotion Agency (if any)
  - Putting the project in the NEPAD Programme (STAP);
  - Project conceptualisation;
  - Negotiations with funding agencies for funding;
  - Background studies;
  - Organising reviews with stakeholders, including RECs ;
  - Working with the RECs on the harmonisation of policies, regulations, agencies, tariffs, etcetera;
  - Having model legal documents produced;
  - Working with RECs on the coordination of the actions of countries concerned in carrying out their respective components and project activities;
  - Being available to help resolve issues.
- NEPAD
  - In the event that these are important projects NEPAD would play a facilitating role to ensure that the funding agencies are kept aware of the importance of the projects to NEPAD;
  - On more important projects, assisting the RECs and the countries to approach funding agencies to obtain funding;
  - Being available to help mobilise political support and to resolve political issues;
  - Being available to help resolve issues.



## 6 NEPAD “Flagship” Projects

A small, select number of projects would be designated as “NEPAD Flagship Projects”. This means that:

- They would become highly visible indicators of NEPAD’s activities and influence
- They would benefit from a special NEPAD effort in terms of:
  - Promotion;
  - Keeping them at the forefront of funding agencies’ attention;
  - Special reporting on them at heads of state meetings;
  - Focusing on them for raising finance.

The following ten projects have been proposed for consideration and adoption as flagship projects:

- 1 Implementing the Yamoussoukro Decision;
- 2 Facilitating Road Transportation;
- 3 ICT Policy and Regulatory Frameworks at the Regional Level;
- 4 Power Pools (West and Southern Africa, etc);
- 5 Nile Basin Initiative;
- 6 Greater Inga Integrator Study;
- 7 Establish Regional Linkages for African Energy Commission;
- 8 Capacity-building for RECs;
- 9 West Africa Gas Pipeline;
- 10 COMTEL.

### 3.3 How the classification could be used

The suggested classification system would serve two purposes:

First, it would serve as a basis for the NEPAD Secretariat and the RECs to fine-tune the roles and responsibilities under each category.

Second, it would be used to categorise all STAP projects so that the RECs, the NEPAD Secretariat and the development partners could be clear about what is expected of each stakeholder as they work together on a given project or program.

A preliminary attempt at classifying STAP projects into the categories is contained in the tables in Annex 1. These tables would be used as a basis for a workshop at which the RECs and the NEPAD Secretariat would discuss these issues.

