

International Conference “NEPAD and the Future of Economic policy in Africa”

November 9-12, 2005 at IDEP, Sénégal

PAPER

APRM and the Challenges of the Implementation of Economic Governance Standards in Africa: a Critical Assessment (ABSTRACT)

By: Dr Reine DJUIDJE KOUAM

Publication: 2005

According to the report of the last NEPAD Multistakeholders Dialogue (November 2004), the breakthroughs of the African Peer Review Mechanism in meeting the challenges of economic governance remain too slow and have to be improved. This statement motivated disappointment among some initiating countries (Senegal) over neglected economic perspectives that should be at the epicentre of the initiative. This self-assessment instrument, put in place during the sixth summit of the NEPAD HSGIC (February 2004), aims to tackle obstacles to the operationalisation of the NEPAD and AU programmes. It monitors progress towards compliance with values, codes and principles encapsulated in the July 2002 **Declaration on Democracy, Political, Economic and Corporate Governance**. The purpose is to foster the adoption of appropriate standards and practices for political stability, high economic growth, sustainable development and integration with the ultimate goal of winning over donors and investors and overcome the “*investment risk stigmata*”.

The elaboration of a code of conduct within the APRM four thematic areas reinforced by the harmonisation of related structures at national, subregional and continental levels sets the African economic governance agenda within a context of globalisation and continental institutional renewal. It is a voluntary process acceded to by countries to enhance progress in key governance and socio-economic development preconditions. During the past four years, there have been notable efforts to transform economic policies and adjust to global governance trends. The idea is to identify internal hindrances to growth and provide indigenously generated corrective measures through constructive peer dialogue, information transfer, common experience sharing, and exemplary practices reinforcement.

As a tool promoted under the NEPAD, APRM already benefits from recognition by key international resource institutions (UN agencies, G8, OECD, EU Commission, IMF, IIDEA, BIS) and strategic partners (related AU units, ACHPR, PSC, PAP, CSSDCA) associated to the process (APF, ADB, UNECA, UNDP). Membership has grown from the initial 16, to 24 countries who have signed the MOU while only eight have expressed readiness to be scrutinised. This paper is a contribution to the debate on APRM in terms of implementation approaches and relevance as a response to global economic governance pressures. It draws from the APRM mission before a close look at the impediments (accession or non-accession as a matter of sovereign choice, loose interconnectedness with the AU and RECs, mere theoretical commitment, limited people ownership, low financial contribution and continuous conflict outbursts) to concrete accelerated achievement of its goals and operating mechanisms. The pioneer support missions prior to the

reviews (Rwanda, Ghana, Kenya, Mauritius) and the latest (Uganda) have only peaked the criticisms.

The tasks ahead remain to concretise the targets, the procedures and the transmission institutions through which the instrument operates. Initial rewards are being seen in ample technical capacity, improved state and nonstate actor consultation, conducive environment for peer learning and experience sharing. It is expected that increased participation coupled with the observance of governance standards may come to influence the credibility of the continent during negotiations with major regional and global players. The enforcement of the mechanism has been made a determining condition for their support on trade and financial issues. Therefore, obligatory participation, non state or intermediary stakeholders involvement, coercive measures, all-inclusive strategies, better coordination of various partners and self-funding policies need to be seriously considered rather than simply project the APRM as a watchdog.

Descriptors: Africa, Economic gouvernance,

Contact : Dipo T. Busari,
UNIDEP,
Dakar. Senegal
P.O.Box 3186, CP 18524
Tel: 221-823-10-20 Ext. 21724
Fax: 221-822-29-64
email: dbusari@unidep.org
Website: <http://www.unidep.org>