

African Union

Chair:

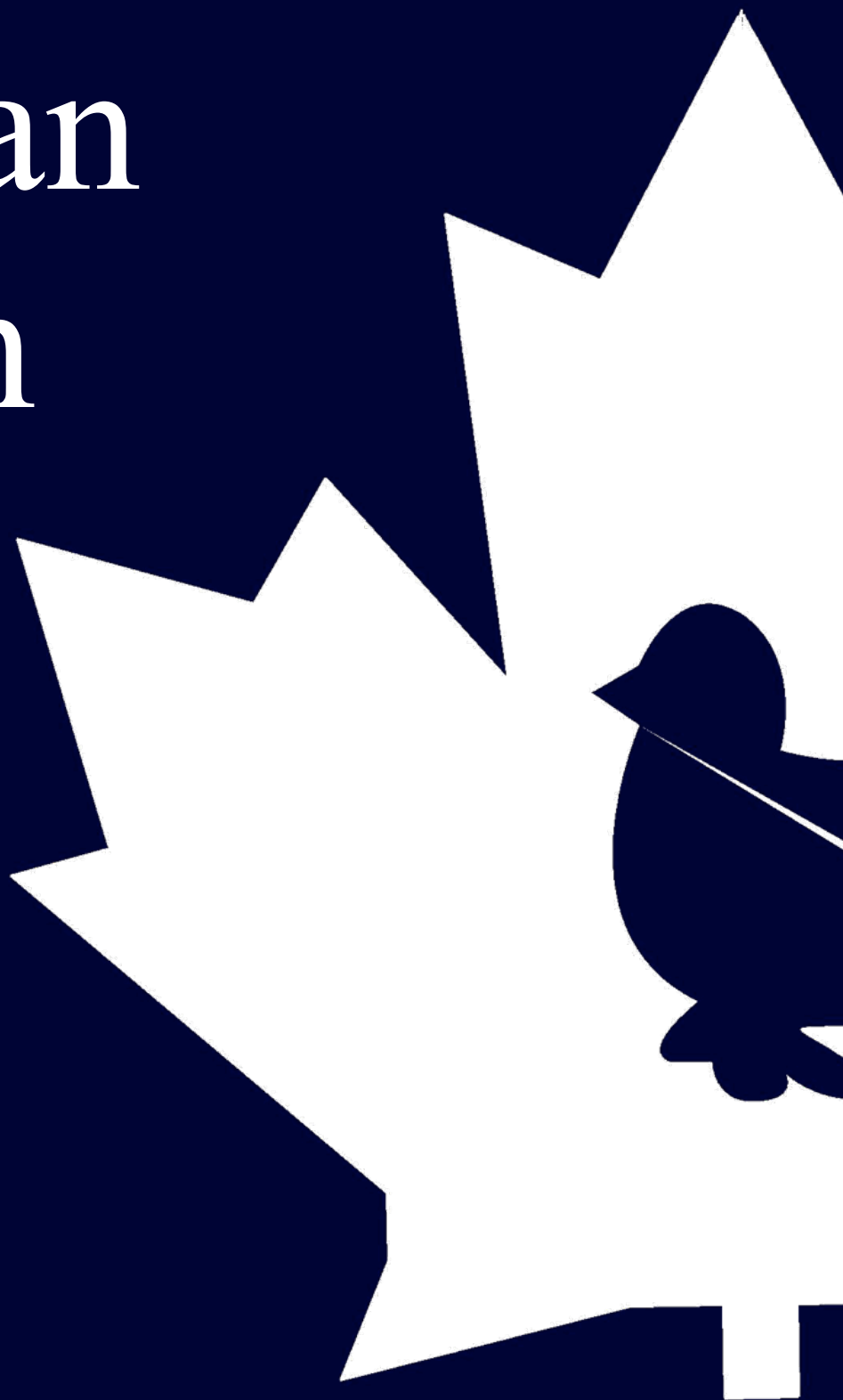
Iman Lahouaoula

Vice Chairs:

Michelle Rugamba

Jonathan Lopez

Christoph Buhne



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African Union

Dear delegates,

My name is Iman Lahouaoula and I will be your Chair for the African Union committee! I am currently in my third year as a Psychology student at McGill University with a passion for science, languages, and international relations. Model UN has been a major part of my life for over five years and I have experienced all levels of involvement, from delegations to staffing to being a member of Secretariat. Coming from Algerian heritage, this committee is quite dear to me and I am eager for all of you to embrace every part of the African continent and dive into the rich cultures and history that each of your countries boasts. This year, our background guide covers topics from a broad spectrum of political, economic, and social issues. The first topic encourages delegates to find creative solutions to bolster access to education, particularly for women and girls. The second topic presents the issue of Foreign Direct Investment. Lastly, we deal with transparency and integrity, which have long been relevant for many African countries, especially now with many recent elections under scrutiny. We hope that you will be able to explore the roots of these problems and come together to produce unique and comprehensive solutions. Now, without further ado, I'd like to introduce my three amazing vice chairs on the committee:

Hello fellow delegates! My name is Michelle and I'll be one of your vice chairs for the African Union committee for SSUNS 2016. I am currently in my third year at McGill University with a major in International Development and a double minor in Psychology and Hispanic Languages. This is going to be my fourth time attending SSUNS (two years as a delegate and two years as a staffer), so I know what the SSUNS hype is all about! My hobbies include dancing, drinking tea, binge watching shows on Netflix, and travelling. A fun fact about me is that I have lived in all four corners of Africa. With that being said, I am so excited to meet you all and see how this committee will unfold!

Hi there! My name is Jonathan Lopez and I am pursuing a Joint Honours in International Development Studies and Political Science and a Minor in Social Entrepreneurship. I have been involved in Model United Nations both as delegate and staff member as a result of my passion for international relations, diplomacy, and negotiation. Most recently, I have spent a semester abroad at Leiden University College in The Netherlands. During the summer of 2015, I completed an internship at the United Nations High Commissioner for Refugees in Quito, Ecuador. This year, I look forward to sharing my enthusiasm with the delegates in the African Union Committee.

Hello delegates! My name is Christoph Buhne and I am pursuing an Honours degree in International Development Studies and a minor in Political Science in my 3rd year of studies at McGill University. I have participated in MUN as both a committee director and vice chair, and I have served on the Executive Board of IRSAM as the VP External Relations. I have also attended the 54th Session of the Commission on Social Development as a Delegate of IRSAM, so I understand what delegates are going through. When not participating in IR related activities, I play the piano and try to photograph all the cats in Montreal. I wish you all a great conference!

We are all so excited to meet each and every one of you and hear all your thoughts and ideas on each of our topics!

African Union Dais



Topic 1: Access to Education for Women and Girls

Access to Education is a fundamental right for all humans, which promotes “individual freedom and empowerment and yields important development benefits.”¹ Although Education is a fundamental right and multiple international organizations are advocating for it, many children and adults are still deprived of this right. Education is a ‘powerful tool’ that can be used by those who have access to it to ‘lift themselves out of poverty and participate fully as citizens.’²

Granting access to education and educating girls and women has been the biggest obstacle that civil servants, national officials, government officials, and international organizations have been trying to solve. The problem with the lack of access to education is the inequality of opportunities for girls and women pertaining to education. They are not granted with the same access to education as boys and men throughout the different levels of education (primary, secondary, tertiary). As a result of this, girls and women are faced with challenges such as unemployment, lack of empowerment to address health issues, and more.

There are numerous phenomena that create barriers to education, including socio-economic status, social norms, cultural expectations, education policies, and violence. These barriers hinder efforts to improve access to education for women and girls.

As of 2015, approximately 28 million girls in sub-Saharan Africa are not in school.³ This problem has been around for a while, but more emphasis and attention has been given to it over the past decade. International and national organizations now recognize that ‘investing in girls and women is a proven way to improve the health and wealth of a whole nation.’⁴ The African Union declared 2015 to be the year of women’s empowerment. In doing so, this organization acknowledged the importance of women’s issues and committed to find solutions that improve the rights of girls and women. This is carried out in order to advance the empowerment of women and equal access to opportunities in the coming years.

The world is witnessing a revolution where educating women and girls is becoming a priority, in hopes of improving their health status, productivity, and overall contribution to the development of the African continent.

¹ *UNESCO*, <http://www.unesco.org/new/en/right2education>)

² *Ibid.*

³ *CAMFED*, <https://camfed.org/why-girls-education/>.

⁴ *Ibid.*



Figure 1: Plan International on Girls' Education

Section 1: Background Information

Socio-economic status

Socio-economic status may arguably be the principal barrier to educating girls, as a household's income determines the probability of sending a child to school. In many cases, priority is given to boys over girls. Low-income households often favour sending their boys to school and, keeping girls at home to perform household duties. Furthermore, girls are occasionally forced to marry young, which is 'deemed more valuable than the uncertain return from her education.'⁵

In times of desperation, girls who mainly come from poor families tend to drop out of school and take on low-paying or exploitative jobs in order to pay for school or the basic necessities of life. As a result of this, some African governments and international agencies have adopted legislations such as the abolition of school fees, cash transfer programs, and school feeding programs.

Social norms and cultural expectations

Social norms and cultural expectations is the second main barrier to education for girls and women. Traditional values can put pressure on females to live up to certain

⁵ *UNESCO*, <http://www.uis.unesco.org/Education/Documents/unesco-from-access-to-equality-2012.pdf>.



expectations. For example, many are compelled to marry young and take care of their households, which evidently prevents them from attending school and pursuing any sort of formal education.

These attitudes towards female education can heavily impact girls and women's perceptions of education and cause them to believe that they are unworthy of attending school. These attitudes must change in order for everyone to truly understand the value of educating girls.

Violence

Violence is perhaps the most important barrier to tackle. Many girls 'face various forms of violence at the hands of teachers, peers and other people in the school environment.'⁶ Due to this, parents remove their young girls from school for their own safety. The forms of violence that females face can include, but is not limited to, verbal abuse, kidnapping, and physical assault. These barriers are currently hindering access to education for girls and women in low-income countries. They can be overcome through awareness, support, and a solid combination of processes and legislations.

Without solutions specifically aimed at improving the access to education for girls and women, Africa's growth will continue moving at a steady pace. Taking a leap of faith and empowering women through education is necessary to increase Africa's overall growth as educating girls not only 'improves [their] maternal health, reduces child mortality, [and] raises levels of household nutrition',⁷ but also 'increases the potential workforce and opportunities for economic growth'⁸ in the wider community.

Section 2: Past Actions

Policies

There have been numerous legislative attempts in the last half-century that aimed to tackle both women's rights and human and peoples' rights in Africa. The two most important policy frameworks that govern this topic is the African Charter on Human and People's Rights and the Protocol to the African Charter on Human and People's Rights on the Rights of Women in Africa (Article 12).

African Charter on Human and People's Rights

The African Charter on Human and People's Rights promotes and protects the basic freedoms and human rights on the African continent. Under this framework, Article 17

⁶ *Plan Canada*, <http://plancanada.ca/6-things-keeping-girls-out-of-school>.

⁷ *Plan International*, <https://plan-international.org/education>

⁸ *Ibid*.



states that ‘every individual shall have the right to education.’⁹ This treaty was adopted on June 27, 1981, but was not put into force until October 21st, 1986. 53 African countries have signed and ratified this treaty.

Protocol to the African Charter on Human and People’s Rights on the Rights of Women in Africa

This protocol was adopted on July 11th, 2003, but put into force on November 25th, 2005. It ‘aims to eliminate discrimination against women.’¹⁰ Article 12 under this protocol states that all state parties shall ensure that ‘all forms of discrimination against women’ are eliminated and that they are guaranteed ‘equal opportunity and access in the sphere of education and training.’¹¹ It also states that state parties shall “protect women, especially the girl-child from all forms of abuse, including sexual harassment in schools and other educational institutions”¹² as well as take specific action to ‘promote literacy among women.’¹³

These two policies are significant as they directly address the topic of protecting women, and highlight the right to education regardless of one’s gender. However, the challenge with these policies is that they have not been updated for some time now.

International Organizations

United Nations Girls’ Education Initiative (UNGEI)

The United Nations Girls’ Education Initiative aims at ‘narrowing the gender gap in primary and secondary education.’¹⁴ UNGEI addresses this topic by working off the Millennium Development Goals in ‘achieving universal primary education’ by ensuring that ‘all complete a full course of primary schooling’ and of ‘promoting gender equality and empowering women with the target to eliminate gender disparity in primary and secondary education and at all levels.’¹⁵ The goal was to achieve this by 2015.

UNICEF

The United Nations Children’s Emergency Fund is a UN program that prioritizes achieving the sustainable development goals such as basic education and gender equality.

⁹ *Right to Education Project*, http://www.right-to-education.org/sites/right-to-education.org/files/resource-attachments/RTE_International_Instruments_Right_to_Education_2014.pdf

¹⁰ Ibid.

¹¹ *Right to Education Project – African Framework*, <http://www.right-to-education.org/page/african-framework>

¹² Ibid.

¹³ Ibid.

¹⁴ *UNGEI*, <http://www.ungei.org/whatisungei/index.html>

¹⁵ Ibid.

African Development Bank

The African Development Bank (AfDB) is a 'regional multilateral development bank, engaged in promoting economic development and social progress'¹⁶ in the African continent. Under its gender sector, the AfDB tries to support women's empowerment through education amongst many other things.

NGO's

Campaign for Female Education (CAMFED)

CAMFED is an NGO that tackles 'poverty and inequality by supporting girls to go to school and succeed, and empowering young women to step up as leaders of change.'¹⁷ CAMFED strongly believes in educating girls as a way to create a safe world and alleviate people poverty.

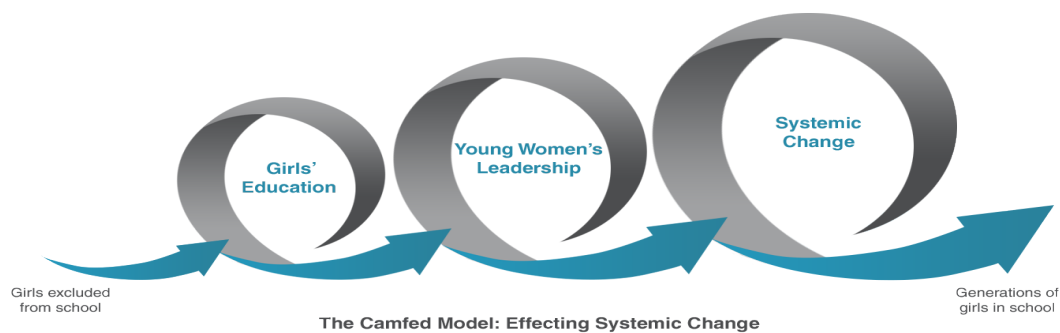


Figure 2: The Camfed Model: Effecting Systemic Change

Section 3: Country Policies and Possible Solutions

A suitable direction for solutions towards this multi-faceted and complex topic involves finding equitable and durable solutions that acknowledge and work with the diversity of countries and cultures across the continent of Africa. One of the challenges will be dealing with government officials who have other priorities due to issues such as conflict, neopatrimonialism, and other causes.

The most important sub-issues that should be addressed are how to overcome the barriers to education (socio-economic status, social norms and cultural expectations, and violence) while being culturally sensitive and acknowledging the constant changes within the diversity of the African continent.

Delegates should come up with a consensus Pan-African decision, but remain mindful of the fact that there may be countries that may be divided on this topic due to political, economic, and cultural differences, which hinders their ability in putting education for girls and women as their top priority. In addition to this, delegates should be aware of the

¹⁶ AfDB, <http://www.afdb.org/en/about-us/mission-strategy>

¹⁷ Camfed, <https://camfed.org/about/>



western assumptions that dominate most international agencies tackling this issue and thus, as an alternative to these assumptions, delegates should emphasize the use of local knowledge (bottom up approaches) in resolving the issues that face the lack of access to education for females.

Solutions

Potential approaches to resolving this issue include focusing on making education more accessible, as well as minimizing the external constraints inhibiting girls and women from accessing the quality education that they deserve to get. The key is finding a holistic solution to this topic. In resolving this issue, governments and international organizations need to spearhead these initiatives. Furthermore, there needs to be a collective effort from individuals and civil society workers. This support can be fostered by spreading awareness about the importance of educating females.

Besides the common and obvious solutions to this issue such as improving funding for girls' education, raising awareness, and taking appropriate measures to prevent violence against women, delegates are highly encouraged to step out of the box and look at policies that have failed in the past, and the policies that are in the making and evaluate what went wrong, and how we can learn from the past as policy makers in the 21st century.

Further Research

Questions to Consider

1. Given the fact that the 2015 deadline for the Millennium Goals have passed, and countries have not achieved what they had wished to achieve in regards to gender equality and granting access to education to everybody, how can international organizations, governments, private sectors, and NGOs work together in ensuring that the Sustainable Development Goals are met within the time frame? What can be learned from the past that countries can avoid in achieving the SDGs? What were some of the obstacles? Can the fact that technology has rapidly changed from the time the MDGs were created play a significant role in trying to achieve the SDGs?
2. Seeing as the African Charter on Human and People's Rights is an important document in the African continent, how can national and international governments ensure that legislations under the charter are implemented correctly in African countries and that government officials update this document frequently for legitimacy and democratic reasons?

Extra References:

UNICEF

http://www.unicef.org/education/bege_70640.html

UNGEI

<http://www.ungei.org/>

The World Bank



<http://www.worldbank.org/en/topic/girlseducation>

USAID

<https://www.usaid.gov/what-we-do/gender-equality-and-womens-empowerment>

Global Campaign for Education

<http://www.youtheconomicopportunities.org/sites/default/files/uploads/resource/584078.pdf>

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The Right to Education | Education | United Nations Educational, Scientific and Cultural Organization." The Right to Education | Education | United Nations Educational, Scientific and Cultural Organization. Accessed May 15, 2016. <http://www.unesco.org/new/en/right2education>.

"Why Girls' Education – Camfed - Campaign for Female Education." Why Girls' Education – Camfed - Campaign for Female Education. Accessed May 15, 2016. <https://camfed.org/why-girls-education/>.

Topic 2: Foreign Direct Investment in Africa

Section 1: Background Information

In a globalized world, foreign direct investment (FDI) and foreign aid are key drivers of development, employment, productivity improvement, technological progress, and economic growth². In Africa, FDI facilitates the integration of the continent into the global economy, increases employment generation and growth, enhances production efficiency, raises skills of local manpower, and supplements domestic savings. Additionally, foreign aid is used to finance activities like investment projects, technical assistance, budget support, and debt relief.

The problem is that Africa still fails to be a major recipient of FDI compared to other regions, such as Asia. For example, global FDI inflows to Africa was 2.6% from 1980-89; 1.9% from 1990-99; and 3.2% from 2000-09, while Asia received global FDI inflows of 14.2%; 19.1%; and 19.1%, respectively.³ In addition, foreign aid has created an African dependency on institutions such as the World Bank and the International Monetary Fund (IMF). This poses an impediment to the development and progress of all 53 African nations along with their 1.033 billion inhabitants.⁴

Table 1: FDI Flows by Region, 2007-2009 (US\$ Billion and Percent)

Region	FDI inflows			FDI outflows		
	2007	2008	2009	2007	2008	2009
World	2100	1771	1114	2268	1929	1101
Developed economies	1444	1018	566	1924	1572	821
Developing economies	565	630	478	292	296	229
Africa	63	72	59	11	10	5
Latin America and the Caribbean	164	183	117	56	82	47
West Asia	78	90	68	47	38	23
South, East and South-East Asia	259	282	233	178	166	153
South-East Europe and the CIS	91	123	70	52	61	51
<i>Memorandum: percentage share in world FDI flows</i>						
Developed economies	68.8	57.5	50.8	84.8	81.5	74.5
Developing economies	26.9	35.6	42.9	12.9	15.4	20.8
Africa	3.0	4.1	5.3	0.5	0.5	0.5
Latin America and the Caribbean	7.8	10.3	10.5	2.5	4.3	4.3
West Asia	3.7	5.1	6.1	2.1	2.0	2.1
South, East and South-East Asia	12.3	15.9	20.9	7.9	8.6	13.9
South-East Europe and CIS	4.3	6.9	6.3	2.3	3.1	4.6

Source: UNCTAD, FDI/TNC database (www.unctad.org/fdistatistics)

² Anyanwu, John C. (2010), Determinants of Foreign Direct Investment Inflows to Africa, 1980-2007, Working Paper Series No. 136, *African Development Bank*, Tunis, Tunisia.

³ Ibid.

⁴ World Population Review (2016), Africa Population 2016, *WPR*.

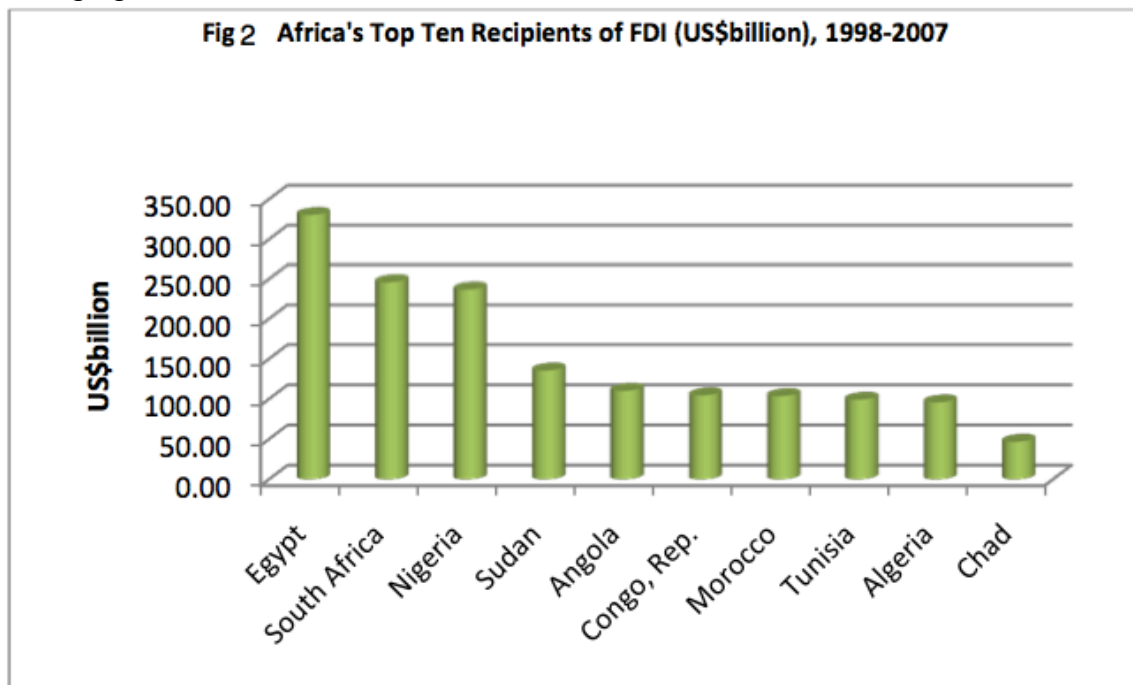
Foreign Direct Investment (FDI)

Global FDI flows rose from US\$54 billion in 1980 to US\$207.7 billion in 1990 and to a peak of US\$1,401.5 billion in 2000.⁵ Despite the fact that 2007 was the year with the highest global FDI flows, Africa received the least investments among all the world regions (See Table 1).

Natural Resources

According to a report from the African Development Bank in 2010, natural resource endowment and exploitation attracts huge FDI into Africa.⁶ Oil, gas and mining projects are the main investment sectors in Africa. Therefore, Africa's top ten recipients of FDI from 1998-2007 were Egypt, South Africa, Nigeria, Sudan, Angola, Republic of the Congo, Morocco, Tunisia, Algeria, and Chad. (See Figure 2).

Given that oil, gas and mineral resources are non-renewable, it is key for African countries to negotiate transparent and more lucrative contracts with oil and mining multi-national corporations (MNCs) to ensure their tax payment and their fulfillment of employment and environmental rights. Moreover, international financial institutions such as the African Development Bank should help countries acquire the much-needed capacity not only to have strong negotiation skills but also to be more effective in managing natural resource revenues.



Source: Anyanwu, John C. (2010), Determinants of Foreign Direct Investment Inflows to Africa, 1980-2007, Working Paper Series No. 136, *African Development Bank*, Tunis, Tunisia.

⁵ UNCTAD. (2010), World Investment Report 2010: Investing in a Low-Carbon Economy, *United Nations Conference on Trade and Development*: Geneva.

⁶ Anyanwu, John C. (2010), Determinants of Foreign Direct Investment Inflows to Africa, 1980-2007, Working Paper Series No. 136, *African Development Bank*, Tunis, Tunisia.

Political Stability

According to an analysis of 53 African countries over the period of 1970-2009 made by the African Center for Economic Transformation (ACET), larger countries attract more FDI; however, regardless of their size, countries that are more open, politically stable, and offering higher return to investment strongly attract FDI.⁷

Given the fierce competition among potential FDI recipients, the countries that create a proper investment climate for investors are more likely to succeed. Investors expect their investments to be protected by the host state. According to the World Bank's Multilateral Investment Agency (MIGA) and the Economist's Intelligence Unit, political risk is always a priority concern for investors.⁸ Threats to regional peace and security along with the lack of sound governance institutions jeopardize Africa's intentions to attract more FDI. Therefore, it is pertinent for African countries to strength governance institutions and improve transparency at all levels.

FDI Dependency

China, Brazil, India, South Africa, and Malaysia are major sources of FDI for the African continent, as traditional OECD (Organization for Economic Development and Cooperation) sources of FDI are decreasing and South-South transfer of technology tends to be more adaptable and at lower costs. The latter intends to transfer appropriate technologies between developing countries in an effort to improve their access to the global market.

OECD countries accounted for about one-third of all inflows into the top 15 African recipient countries between 2001 and 2011. France, the United Kingdom, the Netherlands, the United States and Germany are the largest OECD countries investing in Africa, with US\$4.9 billion, US\$4.1 billion, US\$2.7 billion, US\$1.8 billion, and US\$1.3 billion, respectively.⁹ The largest recipient African countries were Nigeria, South Africa, Angola, Liberia, and Ghana with US\$5.3 billion, US\$4.4 billion, US\$2.2 billion, US\$2 billion, and US\$0.61 billion, respectively.¹⁰

Nonetheless, China is the leading Southern investor in Africa. In 2010, African countries that received inflows of more than US\$100 million in FDI from China include South Africa, Nigeria, Angola, Kenya and the DRC.¹¹ (See table 2). Although India's investments in Africa have decreased from US\$21 billion in 2008 to US\$8 billion in 2012, it continues to invest in LDCs (Least Developed Countries) like Mauritius,

⁷ Mijiyawa, Abdoul' Ganiou. (2010), What Drives Foreign Direct Investment in Africa? An Empirical Investigation with Panel Data, *African Center for Economic Transformation*.

⁸ MIGA (2013), World Investment Trends and Corporate Perspectives, *Multilateral Investment Guarantee Agency*: Washington.

⁹ World Bank. (2014), Foreign Direct Investment Flows into Sub-Saharan Africa, *Science, Technology, and Skills for Africa's Development – World Bank*.

¹⁰ Ibid.

¹¹ Ibid.

Ethiopia and Sudan. Conversely, Brazil's FDI to Africa has been increasing in recent years, especially in the Portuguese-speaking countries of Angola and Mozambique. Brazilian multinationals have expanded businesses into the new African ethanol industry in Angola, Mozambique and Ghana. Furthermore, the Brazilian mining company, Vale, has invested in Zambia and South Africa. Zambia and Brazil have also recently signed technical cooperation agreements covering livestock and health.¹² Malaysia's FDI globally has increased from US\$6 billion in 2006 to US\$17 billion in 2012 and one-fifth of it was held in Africa, ahead of China and India. Finally, South Africa plays the role of being a major recipient of FDI and also a major source of FDI in Africa. South Africa holds the fifth largest stock of FDI in Africa, with the largest proportion in Mauritius, followed by Nigeria, and its neighbors, Mozambique and Zimbabwe. It also has sizable stock of FDI in Ghana, DRC, Tanzania and Zambia.

These big investors play a fundamental role in Africa's economic development. However, this can lead to African economies becoming deeply dependent on their investors. This can result in a loss of bargaining power when cutting deals with powerful multinationals.

Table 2 FDI outflows from China (US\$ million)

	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total	5498	12261	17634	26506	55907	56529	68811	74654	84220
Africa	317	392	520	1574	5491	1439	2112		
15 SSA countries	242.38	230.76	360.68	1178	5281	849.78	1388		
Angola	0.18	0.47	22.39	41.2	-9.57	8.31	101		
Congo	0.51	8.11	13.24	2.5	9.79	28.1	34.38		
Congo DR	11.91	5.07	36.73	57.3	23.99	227.16	236.2		
Ethiopia	0.43	4.93	23.95	13.3	9.71	74.29	58.23		
Ghana	0.34	2.57	0.5	1.85	10.99	49.35	55.98		
Kenya	2.68	2.05	0.18	8.9	23.23	28.12	101.2		
Madagascar	13.64	0.14	1.17	13.2	61.16	42.56	33.58		
Mozambique	0.66	2.88	-	10	5.85	15.85	0.28		
Nigeria	45.52	53.3	67.79	390	162.6	171.86	184.9		
Rwanda	-	1.42	2.99	-0.41	12.88	8.62	12.72		
South Africa	17.81	47.47	40.74	454	4808	41.59	411.2		
Sudan	146.7	91.13	50.79	65.4	-63.1	19.3	30.96		
Tanzania	1.62	0.96	12.54	-3.82	18.22	21.58	25.72		
Uganda	0.15	0.17	0.23	4.01	-6.7	1.29	26.5		
Zambia	0.23	10.09	87.44	119	214	111.8	75.05		

Source: Statistical Bulletin of China's outward foreign direct investment; UNCTAD (2013)

Note 1: Values in US\$ millions, current price

Foreign Aid

Foreign or development assistance is defined by the OECD as "aid provided by official agencies, including state and local governments, or by their executive agencies where the main objective is the promotion of the development and welfare of developing countries."¹³

¹² World Bank. (2014), Foreign Direct Investment Flows into Sub-Saharan Africa, *Science, Technology, and Skills for Africa's Development – World Bank*.

¹³ OECD. (2016), Official Development Assistance – Definition and Coverage, *The Organization for Economic Cooperation and Development*.

It has been used to promote economic development in areas such as balance of payments, employment, basic needs, income distribution (growth and equity), poverty, stabilization and structural adjustment, sustainability, world financial management and governance.¹⁴ Consequently, there exists a fundamental need to improve the understanding of the economic, institutional and governance impact of aid in order to make more effective and transparent use of it. Today, African countries are more committed to good economic governance through improved macroeconomic stability, public finance management, accountability, resource mobilization and financial and monetary institutions.¹⁵

The problem that most African countries are facing is financial aid dependency. These nations have recognized the importance of managing a smooth transition to less aid dependency in order to enhance socio-economic development on the continent while also promoting appropriate integration of African states into the world economy. It is important to redefine partnerships, promote ownership, improve coordination, reduce transactions costs, improve budget management, and manage a proper exit strategy.¹⁶

Table 3. Top 10 multilateral donors to Africa
USD million, net disbursements

	2011	2012	2013	3-year average	% of all multilaterals
1 EU Institutions	6 037	7 141	5 973	6 384	33%
2 IDA	4 739	4 712	6 072	5 174	26%
3 Global Fund	1 534	2 173	2 523	2 077	11%
4 AfDF (African Dev.Fund)	2 147	1 788	2 180	2 038	10%
5 IMF (Concessional Trust Funds)	1 057	837	512	802	4%
6 GAVI	517	596	860	658	3%
7 UNICEF	484	407	472	454	2%
8 Arab Fund (AFESD)	285	293	271	283	1%
9 IFAD	173	287	280	246	1%
10 UNDP	221	224	217	220	1%
Other multilaterals	1 187	1 264	1 234	1 228	6%
Total multilaterals	18 381	19 721	20 595	19 566	100%

Source: OECD. (2015), Development Aid at a Glance, Statistics By Region: Africa. *Organization for Economic Development and Cooperation*.

Many different countries and multilateral donors are interested in Africa's development. For example, Table 3 provides a list of the top ten multilateral donors to Africa while

¹⁴ Wangwe, Samuel. (2006), Foreign Aid in Africa: Role, Experience and Challenges, *Daima Associates Limited*.

¹⁵ Ibid.

¹⁶ Wangwe, Samuel. (2006), Foreign Aid in Africa: Role, Experience and Challenges, *Daima Associates Limited*.

Table 4 lists the top ten country donors of Development Assistance Committee (DAC) to Africa and the top ten African countries recipients of aid.

Table 4. Top 10 DAC donor countries to Africa
USD million, net bilateral disbursements

a) Top 10 donors by amount

	2011	2012	2013	3-year average	% of DAC countries
1 United States	9 502	9 127	8 979	9 203	30%
2 France	4 641	4 128	3 169	3 979	13%
3 United Kingdom	3 409	3 445	3 922	3 592	12%
4 Germany	2 575	2 784	2 397	2 585	8%
5 Japan	1 708	1 724	2 092	1 842	6%
6 Canada	1 545	1 850	1 519	1 638	5%
7 Sweden	1 351	1 201	1 167	1 240	4%
8 Norway	1 080	956	1 046	1 027	3%
9 Netherlands	979	744	858	860	3%
10 Denmark	975	805	713	831	3%
Other DAC countries	4 952	3 724	3 500	4 059	13%
Total DAC countries	32 717	30 488	29 363	30 856	100%

b) Top 10 donors by share of aid to Africa

	2011	2012	2013	3-year average	Africa as % of each donor's aid 2011-2013
1 Portugal	408	343	247	332	89%
2 Ireland	401	352	354	369	83%
3 Belgium	831	775	583	730	79%
4 Iceland	10	10	15	12	76%
5 Denmark	975	805	713	831	64%
6 Netherlands	979	744	858	860	64%
7 Italy	830	112	138	360	62%
8 France	4 641	4 128	3 169	3 979	60%
9 Sweden	1 351	1 201	1 167	1 240	58%
10 United Kingdom	3 409	3 445	3 922	3 592	57%
Other DAC countries	18 883	18 573	18 196	18 551	40%
Total DAC countries	32 717	30 488	29 363	30 856	46%

Source: OECD. (2015), Development Aid at a Glance, Statistics By Region: Africa. *Organization for Economic Development and Cooperation*.

Section 2: Past Actions

In the Agenda for 2063, the African Union creates a strategic framework for the socio-economic transformation of the continent by promoting past and current initiatives dealing with FDI and financial aid. It aspires to build “a prosperous Africa based on inclusive growth and sustainable development.”¹⁷ For example, the Minimum Integration Programme, with support from the Organization of African Unity (OAU), pursues integration among African states to achieve greater political stability as well as more trade and economic development. Furthermore, the New Partnership for Africa’s Development (NEPAD) facilitates the coordination and implementation of continent-wide programmes and projects such as natural resources, food security, regional integration, infrastructure, trade, and skills and employment for youth. African Development Bank’s Programme for Infrastructure Development in Africa (PIDA), focuses on the development of African infrastructures such as energy, transport, information and communication technologies, and trans-boundary water resources to further stimulate Africa’s economic progress while also attracting FDI.

Many different United Nations development agencies are also working with African states to advance the achievement of goals in the areas of development with the UN Development Programme (UNDP), the UN Industrial Development Organization (UNIDO), and the UN Capital Development Fund (UNCDF); and financial aid and debt management with the International Monetary Fund (IMF) and the World Bank.

¹⁷ African Union (2016), What is Agenda 2063? *African Union*: Addis Ababa, Ethiopia.



Section 3: Possible Solutions

In order to attract more FDI, properly manage investments and foreign aid, and progressively slow indebtedness to financial institutions, there are three main recommendations. First, countries need to collaborate with their current foreign investors in order to promote their economies to other potential investors. Second, regional integration of African states can increase trade openness, enlarge the size of domestic markets, and generate more political stability, which would all contribute to FDI attractiveness in the continent. Third, because of the fierce competition among developing countries for FDI, African countries should increase the quantity as well as the quality of physical infrastructure and skills of the labour force.¹⁸

In addition, responsible and transparent management of financial resources in trade, FDI, and financial aid must be strongly enforced among all African states in order to maximize effective results. A further topic to be considered is the role of remittances, which is money being transferred from a foreign worker back to their home country. As said by Yéro Baldé, “a 10% increase in remittances increases savings by 7% and investment by 6.5%, while the same 10% increase in foreign aid increases savings and investment by respectively 1.6% and 1%.”¹⁹ This might have positive implications for Africa in its pursuit of development and global economic integration while getting detached from heavy financial aid inflows.

Future Research

1. How can governments implement more efficient and transparent management of financial resources among individuals in African states?
2. What are the implications of large FDI from super powers in Africa, such as China?
3. How can African nations manage a smooth exit from aid dependence?
4. What can African states do to increase political stability and attract more FDI?

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¹⁸ Mijiyawa, Abdoul' Ganiou. (2010), What Drives Foreign Direct Investment in Africa? An Empirical Investigation with Panel Data, *African Center for Economic Transformation*.

¹⁹ Baldé, Yéro. (2010), The Impact of Remittances and Foreign Aid on Savings/Investment in Sub-Saharan Africa, *Laboratoire d'Analyse et de Prospective Economique*.



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Topic 3: Promoting Integrity and Transparency in Democratically Elected Governments

Section 1: What do Integrity and Transparency Mean?

When discussing integrity in a government, it is important to have a clear definition of the term. Throughout this guide, the term will refer to a government that holds itself “consistent with a set of moral or ethical principles and standards”²⁰, its internal operations, and its dealings with private companies. Integrity means that the government uses its resources and funds in the interest of helping its people, which makes misappropriation of resources for personal gain easier to identify and more likely to be reported.

Transparency concerns the government’s ability to be “open in the clear disclosure of information, rules, plans, processes and actions”²¹. With greater transparency, citizens better understand what the government is doing with their resources and taxes. This also extends to citizens being provided with clear information of government services, such as the requirements for a small business license. When service sector corruption is much less prevalent, it allows civil society and journalists to investigate government operations more easily.

Both of these have to do with the concept of “good governance”; an idea that is “characterised as being participatory, accountable, transparent, efficient, responsive and inclusive, respecting the rule of law and minimising opportunities for corruption”²². This not only includes integrity and transparency, but also the rights of citizens, separation of power, merit-based hiring and promotion, and allowing the existence of political pluralism²³. Integrity means that the government delivers public goods in return for taxes, and acts in the interests of its people. Transparency means that the government can be scrutinised by civil society, and be held up to national and international standards. Issues such as corruption, repression, and lack of citizen rights all impede good governance.

Section 2: Why is this relevant to the African Union?

Out of the 10 most corrupt countries (from Transparency International’s Corruption Perception Index), six of them are in Africa²⁴. Of the 46 countries in the Sub-Saharan

²⁰ "Integrity." Anti-corruption Glossary. Accessed May 28, 2016.

<http://www.transparency.org/glossary/term/corruption>.

²¹ "Transparency." Anti-corruption Glossary. Accessed May 28, 2016.

<http://www.transparency.org/glossary/term/corruption>.

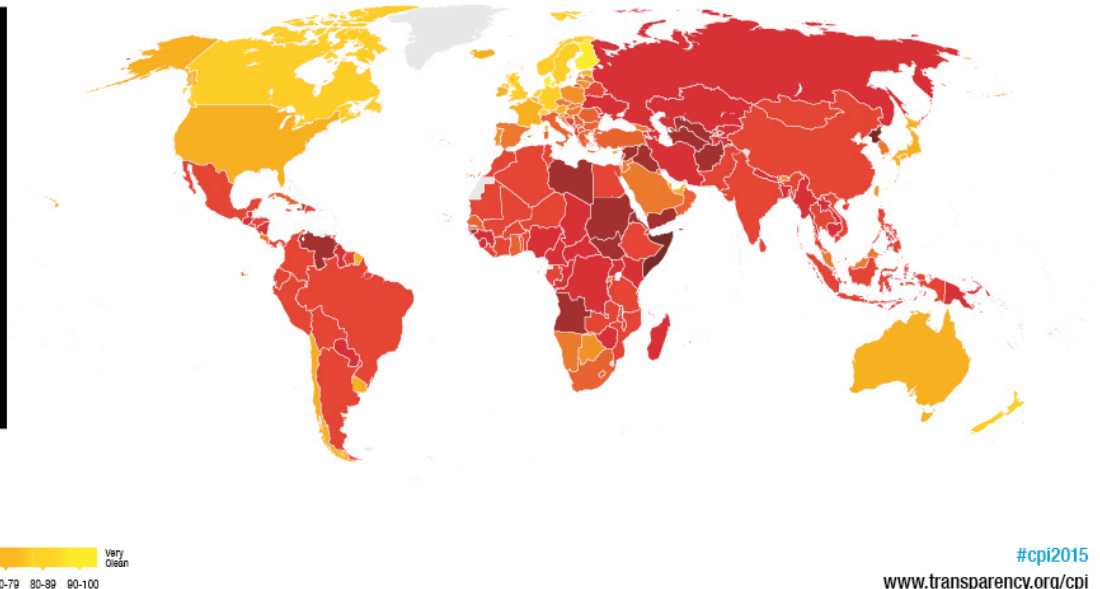
²² "Governance." Anti-corruption Glossary. Accessed May 28, 2016.

<http://www.transparency.org/glossary/term/corruption>.

²³ Mutula, 2009

²⁴ Sub-Saharan Africa: Achieving What We Want Starts with Rule of Law." Transparency International. Accessed May 28, 2016. <http://www.transparency.org/glossary/term/corruption>.

region, only six of them do not have a “serious corruption problem”²⁵. On average across the region, 22% of the people who were surveyed had paid a bribe for a public service in the last 12 months²⁶. Courts and police were the two most likely to have been given bribes²⁷. For perspective: the amount of money lost to corruption each year (\$150 billion) is significantly larger than foreign aid to the continent (\$22.5 billion)²⁸.



Source: <http://www.transparency.org/cpi2015#map-container>

Section 3: Defining Corruption

Corruption is the abuse of entrusted power for private gain²⁹, usually for personal benefit, and can involve favourable treatment of friends and family. Corruption can exist at any level of government and take many different forms. A police officer taking a bribe to let cars pass through a checkpoint is an example of low-level corruption, whereas a minister awarding a lucrative government contract to a relative's company (and receiving part of

²⁵ Sub-Saharan Africa: Achieving What We Want Starts with Rule of Law." Transparency International. Accessed May 28, 2016. <http://www.transparency.org/glossary/term/corruption>.

²⁶ Sub-Saharan Africa: Achieving What We Want Starts with Rule of Law." Transparency International. Accessed May 28, 2016. <http://www.transparency.org/glossary/term/corruption>.

²⁷ "Sub-Saharan Africa: Achieving What We Want Starts with Rule of Law." Transparency International. Accessed May 28, 2016. <http://www.transparency.org/glossary/term/corruption>.

²⁸ Hanson, Stephanie. "Corruption in Sub-Saharan Africa." Council on Foreign Relations. 2009. Accessed May 28, 2016. <http://www.cfr.org/africa-sub-saharan/corruption-sub-saharan-africa/p19984>

²⁹ "Corruption." Anti-corruption Glossary. Accessed May 28, 2016. <http://www.transparency.org/glossary/term/corruption>.



the revenue) is an example of high-level corruption. Many factors contribute to corruption, including (but not limited to):

- Weak state institutions – lack of checks and balances on power mean that it is easier to use positions for personal gain
- Low/unreliable salaries – officials may seek additional income through bribes if they cannot support themselves on their official salary
- Lack or ineffective use of oversight/punishment mechanisms – corruption cannot be reported if there is no monitoring body
- Institutional culture of corruption – corruption being seen as an acceptable part of the job

There are three main methods to deal with corruption:³⁰

- Administrative reform – involves the creation of a watchdog organ that supervises other parts of the government, encouraging merit-based hiring and promotion rather than favouritism, and clear rules of conduct for public servants so that they can be held accountable for their actions
- Law enforcement – increasing the chance that those taking bribes or participating in corruption will face punishment or sanction from the government
- Social change – pursue reforms by increasing social empowerment, allowing citizens to participate more in political processes

Pressure for countries to reduce corruption can either be domestic or international. Domestically, journalists and civil society groups can act as watchdogs for corruption, reporting it in order to educate the public. If there is enough backlash against instances of corruption, officials involved may be forced to resign. International pressure to combat corruption usually takes the form of stipulated contracts or tied aid. By using measures of corruption conducted by organisations such as the UNDP or Transparency International, the progress of a country over time can be measured, and progress in reducing corruption can be rewarded.

Section 4: Case Study – Angola

Angola is often given as an example of a particularly corrupt government in Africa. Income per capita has fallen since independence, from \$1,300 in 1973 to \$740 in 2003³¹, in no small part due to a violent independence struggle and subsequent civil war that ended in 2002³². In the wake of the civil war and subsequent destruction of infrastructure, adult literacy was 42% and only 25% of the population had access to proper sanitation³³. Addressing such issues would require the government to dedicate significant resources to the rebuilding. Angola is Africa's second largest oil producer and well as a large exporter of diamonds, with exports that value \$32.6 billion, \$31.6 billion of which is from oil

³⁰ Bertot, Jaeger, Grimes, 2010

³¹ McMillan, 2005

³² McMillan, 2005

³³ McMillan, 2005



exports³⁴. Thus, there is a clear source of revenue that can be leveraged to rebuild the country's infrastructure.

In practice, the government's export revenues have not translated into a better standard of living. Dividing the revenues from oil and diamond exports per Angolan gives each citizen \$700, yet 70% of Angolan are living under \$1 a day³⁵. The money from oil exports is not managed by the treasury but instead divided between the president's office and Sonangol, a state owned enterprise overseeing petroleum production. From here the majority of the money is diverted to various bank accounts belonging to government officials. In addition, it is common for oil companies to bribe government officials to gain concession rights to oilfields³⁶.

Angola exemplifies the "resource curse"³⁷. This refers to countries that have high amounts of natural resource wealth but lack civil rights and development. This theory argues that these poor conditions are *because* of the natural resources, not *despite* them. As can be seen in Angola, valuable and easily extractable natural resources provide the government with a steady stream of revenue with which that finances corrupt activities, as opposed to serving the welfare of their people. Such countries have different incentives than resource-poor countries, which instead often invest in sectors such as education and healthcare. This lack of state institutions in turn encourages corruption, as there is no strong independent judiciary to punish officials. The end result is an a shrinking or slow economy due to inefficient management of revenues and a state structure that perpetuates inequality, which contributes to stagnating development.

Activists have experienced difficulties in pressuring the Angolan government to address corruption, especially after the 2002 Law on State Secrecy. NGOs have pushed for transparency by pressuring multinational firms to "publish what you pay" for natural resources³⁸. This would make it easily to identify when government officials pocket revenues. Similarly, international organisations such as the IMF promoted transparency by pressuring countries to open their books and channel all revenues through the treasury³⁹. In the end, Angola accused the IMF of interfering with its sovereignty and the IMF stopped giving loans to the country.

Angola did eventually cede to external pressure to lessen corruption, agreeing to a monitoring mechanism called the "African Peer Review Mechanism" in 2004⁴⁰. This mechanism allows a panel of experts from African Union member states to review the political and economic Governance of Angola. This creates a plan for democratic

³⁴ "Angola." Organisation of Petroleum Exporting Countries. 2015. Accessed August 31, 2016. http://www.opec.org/opec_web/en/about_us/147.htm.

³⁵ McMillan, 2005

³⁶ McMillan, 2005

³⁷ "Angola." Global Witness. Accessed May 28, 2016.

<https://www.globalwitness.org/en/countries/angola/#more>.

³⁸ McMillan, 2005

³⁹ McMillan, 2005

⁴⁰ McMillan, 2005

elections, which will hopefully lead to improved relations between Angola and bodies like the World Bank and the IMF. This shows us what the African Union can contribute to this process – a platform to monitor governments and identify corruption without presenting a threat to national sovereignty as Western organisations would. With all member nations undergoing the post-colonial experience to some degree, we can provide a better understanding of what must be done and encourage reforms that are more tailored to African circumstances.

Indicator	Angola	Sub-Saharan Africa	All Countries ²
Bribery incidence (percent of firms experiencing at least one bribe payment request)	51.3	25.0	17.6
Bribery depth (% of public transactions where a gift or informal payment was requested)	42.9	19.0	13.7
Percent of firms expected to give gifts in meetings with tax officials	34.2	18.1	12.9
Percent of firms expected to give gifts to secure government contract	64.0	31.7	26.6
Value of gift expected to secure a government contract (% of contract value)	9.8	2.1	1.6
Percent of firms expected to give gifts to get an operating license	39.0	17.1	14.8
Percent of firms expected to give gifts to get an import license	55.6	19.1	14.4
Percent of firms expected to give gifts to get a construction permit	48.2	29.5	23.0
Percent of firms expected to give gifts to get an electrical connection	53.8	25.6	16.5
Percent of firms expected to give gifts to get a water connection	50.0	26.7	16.1
Percent of firms expected to give gifts to public officials "to get things done"	48.9	23.9	18.8
Percent of firms identifying corruption as a major constraint	75.6	37.9	32.8
Percent of firms identifying the courts system as a major constraint	23.6	16.2	14.7

An Overview of Corruption in Angola compared to other countries in the region and the Rest of the World.
Source: <http://www.enterprisesurveys.org/data/exploreconomies/2010/angola>

Section 4: Case Study on the Role of Information and Communication Technologies in Promoting Good Governance

The new digital frontier is playing an emerging role in the promotion of good governance, largely through promoting transparency. Digitising government records allows a greater number of people access to information without necessarily needing to interact with the government, saving the population from potential bribes. Integrating information communication technology (ICT) into government operations can foster good governance by:

- Providing accessible information on government decisions – so that the governments actions can be tracked and scrutinized for corruption, inefficiencies, favouritism
- Monitoring of government expenditures – makes it much more difficult for funds to simply “disappear”, makes it easier for journalists to mount investigations into corruption without needing government approval



- Opening governmental processes (licenses, land records) – public servants cannot lie about or manipulate government records to their own advantage, makes it harder to demand a unnecessary charge for a public service

A major difference between modern ICTs (such as the internet) and older communication technologies (such as radio or television) is that the former requires less government regulation of what information is published. Previously, newspapers and radio stations needed government licences to legally operate. With the Internet, the start-up costs are much lower and the volume of information is much higher, making the flow of information much harder to control.

However, access to ICT services can be limited by several factors⁴¹

- Usability – How easy to navigate and efficient the online services offered by the government are - if they are less efficient than the physical services then the population will not adopt them
- Search ability – how easy it is to find information, such as the hours of a neighbourhood post office
- Language – this can dramatically impact the ability of different ethnic and social groups of accessing a service, as it can shut marginalized groups out of government services, compounding their already marginalized status⁴²
- Tech literacy – the ability of the general population to understand and use the technology needed to access the information and e-government services
- Access – the ability of a population to access the means required to view the e-government services. This includes view the e-government services, including computers, mobile phones, internet, cellular reception, and electricity
- Trust of government to provide access – if most people do not trust the government to be honest, they will not bother using the new service because they do not believe it will make a difference
- Bureaucratic acceptance of transparency – the willingness of public servants to use new electronic services so that they can be monitored for integrity.

Although this might look like a long list of factors that impede the effectiveness of the service, it does not change the fact that e-government and ICT integration into government services generally provides the easiest and most accessible way for people to monitor their government. A wider adoption of social media also acts as a “multiplier” on social capital, meaning information can spread much more quickly and reach a broad base of people.

⁴¹ Bertot, Jaeger, Grimes, 2010

⁴² Mutula and Wamukoya, 2009



Using ICT use to promote transparency is effective if both the government and the people are willing to use it. There needs to be a “transparency readiness factor” in the broader society – a social willingness and ability technological ability to take the government up on efforts to be more transparent. If these two factors are present, ICT becomes a valuable tool in making governments more transparent and accountable to their people.

Section 5: Previous Actions Taken by the African Union

In 2002 the African Union established a program called the “African Peer Review Mechanism”, that aims to encourage the adoption of policies and programs that foster political stability, economic growth, and sustainable development⁴³. Countries aspiring to become members of the program request a review, during which a country-specific team from the APRM holds meetings with “all national stakeholders”, from parliamentary members to women’s organisations⁴⁴. Following this assessment, the APRM gives recommendations to government on how to address the issues they have identified in their review. The Advantage of the APRM is that it is an intra-African way of improving governance, resulting in less infringement on sovereignty and more suitable accommodations for individual countries. This effort demonstrates an excellent start by the African Union to promote transparency and integrity in governments across the continent.

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⁴³ "What are the Objectives of the APRM?." African Peer Review Mechanism. Accessed May 28, 2016. <http://aprm-au.org/faq>.

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