

Sénat

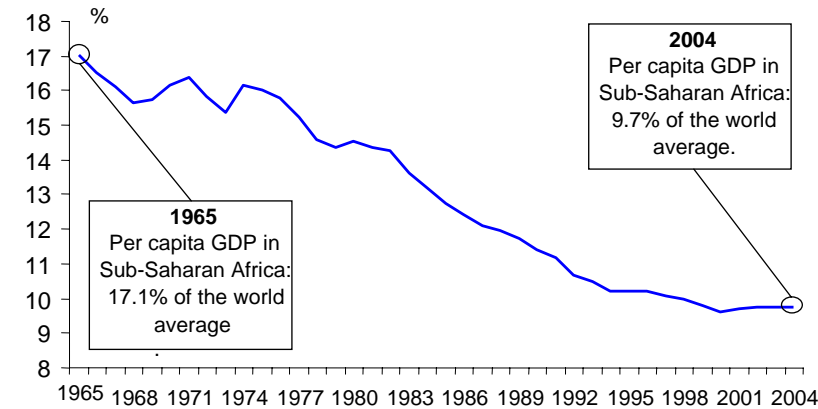


Senate

CANADA

OVERCOMING 40 YEARS OF FAILURE: A NEW ROAD MAP FOR SUB-SAHARAN AFRICA

Sub-Saharan Africa's Share of Global
Economic Activity (per capita): 1965-2004



Source: World Bank

The Standing Senate Committee on Foreign Affairs and International Trade

The Honourable Hugh Segal
Chair

The Honourable Peter A. Stollery
Deputy Chair

February 2007

For more information, please contact us
by e-mail: foraffetrang@sen.parl.gc.ca
by phone: (613) 990-0088
toll free: 1 800 267-7362
by mail: Standing Senate Committee on
Foreign Affairs and International Trade, The Senate, Ottawa, Ontario, Canada, K1A 0A4

This report can be downloaded at
www.senate-senat.ca/foraffetrang.asp

Ce rapport est également disponible en français

MEMBERS	III
ORDERS OF REFERENCE	V
EXECUTIVE SUMMARY	VII
RECOMMENDATIONS	XIII
FOREWORD	XIX
CHAPTER 1: FAILURE IN SUB-SAHARAN AFRICA	1
1. The History of Failure.....	1
2. Development Aid Must Radically Change	7
3. The Creation of Economies in Africa	9
4. An “African Renaissance”?	11
CHAPTER 2: WHAT AFRICA NEEDS TO DO	15
1. Develop a Private Sector.....	16
2. Improve the Overall State of Governance	18
3. Aggressively Tackle Corruption	22
4. Improve Infrastructure and Access to Energy	23
5. Make Agriculture a Priority	24
6. Raise Agricultural Performance.....	27
7. Improve its Ability to Trade	30
8. Enhance Regional Integration.....	32
9. Take the Fight Against HIV/AIDS and Malaria Seriously.....	34
10. Invest in all Levels of Education	37
11. Make Strides Towards Gender Equality	38
12. Practice Good Governance to Prevent Conflict	40
13. Strengthen its Peace and Security Architecture	43
CHAPTER 3: WHAT THE INTERNATIONAL COMMUNITY NEEDS TO DO	47
1. Finish Doha.....	48
2. Make the Structural Adjustment Policies of the IMF and World Bank More Flexible and Less Onerous on Africa	53
3. Change Development Assistance Radically	57
4. Redirect the Development Assistance that is Given to Fewer Countries and Towards Economic Development	61
5. Focus Aid on Micro-finance Initiatives	66
6. Improve the Delivery of Aid.....	69
7. Help African Countries Build Better Institutions and Battle Corruption	71
8. Help Africa With Medical Crises	73
9. Take African Conflicts Seriously and Aggressively Help to Resolve Them.....	76
10. Deal Aggressively With the Conflict in the Democratic Republic of the Congo.....	81
11. Harmonize Policies, Regulations, and Definitions Regarding Conflict Resources	84

TABLE OF CONTENTS

CHAPTER 4: WHAT CANADA NEEDS TO DO	86
1. Develop a Clear, Comprehensive and Coherent Policy on Africa.....	87
2. Decide the Future of the Canadian International Development Agency	91
3. Shift All Canadian Development Work in Africa Into An Africa Office.....	97
4. Dramatically Change its Approach to Development Assistance	99
5. Seek Out Canadian Commercial Opportunities in Africa.....	107
6. Resolve Visa Issues for African Business and Political Leaders.....	110
7. Adjust Canadian Trade Policy on Africa.....	113
8. Deal Effectively With HIV/AIDS and Malaria	115
9. Support Peace and Security Efforts in Africa.....	117
APPENDIX I: SUB-SAHARAN AFRICA: BASIC SOCIAL INDICATORS	123
APPENDIX II: SUB-SAHARAN AFRICA: THE BUSINESS AND INVESTMENT ENVIRONMENT	125
APPENDIX III: SUB-SAHARAN AFRICA: HEALTH CRISES	129
APPENDIX IV: OFFICIAL DEVELOPMENT ASSISTANCE TO SUB-SAHARAN AFRICA	133
APPENDIX VI: WTO MINISTERIAL CONFERENCE	137
APPENDIX VII: LIST OF WITNESSES (ORGANISATIONS)	141
APPENDIX VII: LIST OF WITNESSES (INDIVIDUALS)	147
APPENDIX VIII: LIST OF WITNESSES (FACT FINDING MISSIONS - 2005)	149
APPENDIX IX: LIST OF WITNESSES (FACT FINDING MISSION - 2006)	158

The Honourable Hugh Segal, *Chair*
The Honourable Peter A. Stollery, *Deputy Chair*

And

The Honourable Senators:

A. Raynell Andreychuk

Eymard G. Corbin

Dennis Dawson

Pierre De Bané, P.C.

Consiglio Di Nino

Percy E. Downe

J. Trevor Eyton

Frank W. Mahovlich

Pana Merchant

David Smith, P.C.

Ex-officio members of the committee:

The Honourable Céline Hervieux-Payette, P.C., (or Claudette Tardif) and Marjory LeBreton, P.C. (or Gérald Comeau)

In addition, the Honourable Senators Jack Austin, P.C., Tommy Banks, Pat Carney, P.C., James Cowan, Roméo A. Dallaire, Lillian Eva Dyck, Art Eggleton, Jerahmiel S. Grafstein, Leonard J. Gustafson, Mobina S.B. Jaffer, Rose-Marie Losier-Cool, Elaine McCoy, Lorna Milne, Nancy Ruth, Robert W. Peterson, Vivienne Poy, Marcel Prud'homme, P.C., Fernand Robichaud, P.C., Gerry St. Germain, P.C., and Terrance Stratton have participated in this study since it began in December 2004.

Staff from the Parliamentary Research Branch of the Library of Parliament:

Peter Berg, Analyst

Allison Goody, Analyst

Michael Holden, Analyst

Blayne Haggart, Analyst

François Michaud
Clerk of the Committee

Extract from the Journals of the Senate of Tuesday, May 9, 2006:

The Honourable Senator Segal moved, seconded by the Honourable Senator Di Nino:

That the Standing Senate Committee on Foreign Affairs be authorized to examine and report on the development and security challenges facing Africa; the response of the international community to enhance that continent's development and political stability; Canadian foreign policy as it relates to Africa; and other related matters;

That the papers and evidence received and taken during the First Session of the Thirty-eighth Parliament be referred to the committee;

That the Committee shall present its final report no later than October 31, 2006, and that the Committee shall retain all powers necessary to publicize the findings of the Committee as set forth in its final report until November 30, 2006.

After debate,

The question being put on the motion, it was adopted.

Extract from the *Journals of the Senate* of Thursday, September 28, 2006:

The Honourable Senator Segal moved, seconded by the Honourable Senator Di Nino:

That, notwithstanding the Order of the Senate adopted on Tuesday, May 9, 2006, the Standing Senate Committee on Foreign Affairs, which was authorized to examine and report on issues dealing with the development and security challenges facing Africa; the response of the international community to enhance that continent's development and political stability; Canadian foreign policy as it relates to Africa; and other related matters, be empowered to extend the date of presenting its final report from October 31, 2006 to December 22, 2006; and

ORDERS OF REFERENCE

That the Committee retain until January 31, 2007 all powers necessary to publicize its findings.

After debate,

The question being put on the motion, it was adopted.

Extract from the *Journals of the Senate* on Thursday, December 14, 2006:

The Honourable Senator Segal moved, seconded by the Honourable Senator Keon:

That, notwithstanding the order of the Senate adopted on Thursday, September 28, 2006, the Standing Senate Committee on Foreign Affairs and International Trade, which was authorized to examine and report on issues dealing with the development and security challenges facing Africa; the response of the international community to enhance that continent's development and political stability; Canadian foreign policy as it relates to Africa; and other related matters, be empowered to extend the date of presenting its final report from December 22, 2006 to February 15, 2007; and

That the Committee retain until March 31, 2007 all powers necessary to publicize its findings.

After debate,

The question being put on the motion, it was adopted

Paul C. Belisle

Clerk of the Senate

Africa is the only continent in the world that has not benefited from the last forty years of significant global growth. It is unacceptable that the average citizen in sub-Saharan Africa has not experienced a real increase in his or her well-being since independence.

As a result of this situation, and after hearing from over 400 witnesses in Canada, Africa — Nigeria, Ethiopia, the Democratic Republic of the Congo, Mali, Senegal, South Africa, and Kenya — Washington, D.C. and New York, City — Europe — the Netherlands, Denmark, and the United Kingdom — the Committee has concluded that all players in sub-Saharan Africa have failed that region. This report, therefore, outlines an action plan for both African governments and the international community including Canada that the Committee believes could serve as an effective new roadmap for the development of the African continent.

The crippling subsidies and market protectionism of the international trade regime is a key example of the international community's failure. Slow, unaccountable, and poorly-designed development assistance and ineffective foreign aid institutions in Africa, including the Canadian International Development Agency, have also failed to achieve sustained improvements in the quality of life of African citizens.

However, by far the biggest obstacle to achieving growth and stability in sub-Saharan Africa has been poor government and poor leadership within Africa itself. The governance record of Africa's leaders has, in many cases, been unacceptable and pernicious. Ordinary African citizens have paid the highest price for these failures, but have continued to demonstrate remarkable tenacity in continuing to work for a better life in the face of such adversity.

GOOD GOVERNANCE IS THE KEY

Despite many popular beliefs to the contrary, the Committee has concluded that international development assistance is not the long-term answer for Africa. Vibrant economies and good governance are the answer for Africa. These are conditions that can only be generated and sustained from within African countries, not from without.

African governments must undertake concerted measures to build economies that work, which generate jobs and investment, and provide a future for their people. Governments must

EXECUTIVE SUMMARY

lower the cost of doing business and create environments that are attractive for private-sector growth and investment. Governments must streamline and reduce regulation of the private sector, improve access to credit and financing (particularly for the rural poor), improve communications and transportation infrastructure, and increase access to energy so as to lower business costs and facilitate economic activity. African governments must unleash the entrepreneurial spirit of their people and avoid policies that stifle the energies and ambitions of their citizens. They must also implement effective agricultural policies to boost agricultural productivity and performance.

In addition, many countries in Africa are losing the most productive members of their societies to infectious diseases. For example, South Africa represents one-third of all economic activity in sub-Saharan Africa but has an adult HIV prevalence rate of approximately 19%. African governments must take the fight against HIV/AIDS and malaria seriously, focusing greater attention on disease prevention and investing in their health systems, particularly in rural areas.

It also bears noting that investment cannot occur and businesses cannot flourish unless peace and stability are ensured. Therefore, African leaders must strengthen continental peace and security architecture, particularly the peacekeeping capacity of the African Union, and hold governments that engage in violent conflict to account.

In sum, African governments must provide good political and economic governance. They must aggressively tackle corruption and strengthen the institutions necessary for long-term economic growth and political stability. Good governance, which means the absolute rule of law, sound and professional financial and political management, accountable, effective, and transparent public institutions and public spending, must be a constant provision. Without good governance, it is difficult to envision progress in other areas or the effective use of international assistance.

THE INTERNATIONAL COMMUNITY IS ALSO AT FAULT

It is unrealistic and unfair for the international community to expect African countries to make economic gains without overhauling the international trade practices that hold them back while systematically favouring rich countries. Developed countries must complete the World Trade Organization's (WTO) Doha Round of negotiations and amend rich-country subsidies and barriers to trade so as to allow African countries better access to world markets, especially for the agricultural products which they have a comparative advantage to produce.

The international community of donors must also shift its focus on Africa towards the things that African citizens and leaders actually want — assistance in generating investing, creating jobs, and facilitating trade. The Committee has concluded that forty years of foreign aid has done little to propel Africa from economic stagnation or to improve the quality of life on the continent. Development assistance has been a holding pattern for Africa at best, and a direct facilitator of poor governance and economic mismanagement at worst.

Therefore, the international community, including Canada, must radically change its approach to international development in sub-Saharan Africa. Developed countries must redirect international assistance towards building stronger economies on the continent. Equally important, international donors should only give development assistance to countries that are aggressively undertaking real reforms in economic and political governance, and that are instilling a business environment within their country that ensures economic growth, employment-creation, and investment. If international assistance is only provided to countries that are such 'good performers', it will ensure the effective use of the international assistance that is allocated and provide an incentive for other recipient countries to undertake such reforms. Moreover, donor countries must undertake measures to harmonize the delivery of their international assistance, and they must deliver bilateral aid to Africa in partnership with the private sector and civil society groups in Africa as much as possible.

An important point to stress as well is that economic development will not occur if countries are mired by violent conflict. Western governments have a responsibility to demonstrate that the sentiment of 'never again,' which followed the genocide in Rwanda in

EXECUTIVE SUMMARY

1994, actually has meaning. Canada and like-minded nations must devote significant financial and military resources and diplomatic energy to prevent and resolve violent conflicts in Africa, and to provide long-term peace building assistance so that those countries that have suffered from war can rebuild.

Finally, the international community must undertake new initiatives and implement those that are already in place to address the health crises that threaten to undermine all gains in economic and social development in sub-Saharan Africa. Canada should provide leadership in the international community to achieve a single, harmonized, and fully-resourced global plan to address the HIV/AIDS crisis. This country should also attempt to rectify the situation in which not a single low-cost pill has reached the intended target of AIDS sufferers in sub-Saharan Africa despite legislation on access to generic drugs which came into force in May 2005.

CANADIAN FOREIGN POLICY ON AFRICA MUST CHANGE

Considering that Canada is a G-8 country with a large economy, robust businesses and investors that are eager for new commercial opportunities, a history of political and diplomatic engagement in Africa, and a pool of citizens with considerable expertise, it has not achieved the results in Sub-Saharan Africa that Canadian citizens and taxpayers deserve. There are two major policy reforms that are required for this country to have an effective and efficient foreign policy on Sub-Saharan Africa:

- Canada should establish an all-encompassing and coherent policy on Africa. To achieve this policy coherency, the government should create an Africa Office, comprising aid, trade, security, and foreign affairs staff whose principal mandate would be economic development in Africa, and decentralize at least 80% of this staff, resources, and financial decision-making authority to the field.
- Canada should conduct an immediate review of the future of the Canadian International Development Agency (CIDA) to determine whether the agency should be abolished or whether it should be improved with a statutory mandate.

Overall, Canada should abandon its traditional aid-centric approach to Africa and establish an all-encompassing foreign policy for Africa. This new coherent foreign policy should not be focused on providing social welfare programs such as education, but rather on economic development that targets such areas as increasing in agricultural productivity, improving access to micro-finance, and developing small business development.

Canada should make the facilitation of trade, commercial relationships, and investment a key focus of its involvement with sub-Saharan Africa. However, improved trade and investment policies will have limited impact unless Canada can re-establish its credibility and provide leadership at the World Trade Organization, in order to achieve a world trade agreement that works for developing countries.

With respect to development assistance, the Canadian International Development Agency has failed to make a foreign aid difference in Africa. Since its inception in 1968, CIDA has spent \$12.4 billion in bilateral assistance to sub-Saharan Africa, with little in the way of demonstrable results. CIDA is ineffective, costly, and overly bureaucratic. Approximately 81% of CIDA's 1,500 employees are based at headquarters in Ottawa. Field staff has little authority to design and implement projects or to allocate funds. This top-heavy system has perpetuated a situation where our development assistance is slow, inflexible, and unresponsive to conditions on the ground in recipient countries.

Canada's share of bilateral aid is not greater than 10% of total bilateral aid flows received by any of our partner countries; thus, our aid has little impact in any of these countries. Sectoral priorities have also changed too often over the years, a situation that has probably been exacerbated by the lack of consistency or policy clout at the ministerial level. CIDA's minister has changed 11 times since 1989.

All of the above conditions have led the Committee to conclude that an immediate review of the future of the Canadian International Development Agency is required. If CIDA is to be abolished, necessary staff and resources should be transferred to the responsibility of the Department of Foreign Affairs and International Trade. If CIDA is to be retained, it should be made into an accountable and effective aid agency through a statutory mandate that includes clear and measurable objectives that can be monitored and scrutinized by Parliament.

EXECUTIVE SUMMARY

As was stated above, Canada should target all bilateral assistance on a select number of countries, and focus the assistance that is given on governance and economic development. Canada should orient its foreign policy to assist only those African countries that are making a real effort to strengthen their political and economic governance, to build healthy private-sector economies, to improve their economic infrastructure, and to generate employment opportunities for their citizens.

CANADIAN GOVERNMENT POLICY AND STRUCTURE

1. The Government of Canada should develop a coherent and comprehensive international policy on Africa and, in so doing, reorient existing policy on Africa to devote significantly greater attention to generating economic and employment opportunities for African people. (p. 90)
2. Given the failure of the Canadian International Development Agency (CIDA) in Africa over the past 38 years to make an effective foreign aid difference, the Government of Canada should conduct an immediate review of whether or not this organization should continue to exist in its present non-statutory form. If CIDA is to be abolished, necessary Canadian development staff and decision-making authority should be transferred to the Department of Foreign Affairs and International Trade. If CIDA is to be retained, it should be given a stand-alone statutory mandate incorporating clear objectives against which the performance of the agency can be monitored by the Parliament of Canada. (p. 97)
3. The Government of Canada should refocus and energize its approach to Africa by:
 - Establishing a new Africa Office. The Africa Office would incorporate international development, international trade and foreign affairs personnel dealing with the African continent and would consult closely with the Department of National Defence. This new office would come under the responsibility of a newly designated Minister for International Development who should be given full status in the federal Cabinet. If Canadian International Development Agency (CIDA) personnel are to be shifted to the Department of Foreign Affairs and International Trade (DFAIT), an Africa Office with a strong mandate should be formed. If CIDA is to be given its own act of Parliament, an Africa Office should be included in this legislation;
 - Providing this Africa Office with a robust trade/aid/security/diplomacy mandate that is established by a legislative framework and that contains clear objectives to be monitored by the Parliament of Canada. The mandate and performance of this office should be reviewed every five years; and
 - Decentralizing a minimum of 80% of the staff within the new Africa Office and decision-making authority, including the distribution of financial resources, to Canadian missions in the field in Africa. (p. 98)

RECOMMENDATIONS

FOREIGN AID

4. The Government of Canada should completely redesign its foreign aid program in Africa by:
 - Concentrating all bilateral development aid on countries in Sub-Saharan Africa that are aggressively undertaking economic and political reforms to (a) improve governance; (b) develop their private sectors and create a favourable investment climate; and (c) realize their economic growth and employment prospects. The government should develop precise, new aid-qualifying criteria based on the above list of preconditions, and with the help of internationally recognized indices of country performance, appropriately revise the Canadian International Development Agency's existing list of focus countries. Any country that does not satisfy these criteria, or that graduates from aid-recipient status, should receive zero official development assistance from Canada;
 - Focusing its aid on economic development, in order to achieve economic advancement in support of social progress. Aid should be provided in support of pro-growth and job-creating activities led by the private sector, including technical assistance and training, skills development, and technology transfers. The raising of agricultural productivity and the construction of new rural infrastructure, especially roads, should also be an integral part of this aid effort;
 - Expanding government support of privately delivered micro-finance services;
 - Delivering Canadian bilateral aid to Africa in partnership with the private sector and civil society groups in Africa as much as possible, thereby minimizing the less desirable approach of having the Canadian government provide direct budgetary support to African governments;
 - Harmonizing the delivery of Canadian assistance and providing this aid jointly with other donors as much as possible;
 - Totally untying Canadian aid;
 - Incorporating the above aid-qualifying criteria and aid approaches into the mandate of the Africa Office; and
 - Undertaking a review of the appropriateness of Canadian food aid to Africa, provided both bilaterally and through the World Food Program. (*p. 106*)

TRADE AND INVESTMENT

5. To help improve the ability of Sub-Saharan Africa to conduct international trade, the Government of Canada should:
 - Take a leadership role in encouraging other leading trading nations to revive the Doha Development Round of WTO trade negotiations. Canada should strive for as ambitious a result in the agricultural negotiations as possible, with this result to include the elimination of export subsidies more quickly than the current plan to do away with them by 2013, the reduction of trade-distorting domestic support and, most importantly, significant market access improvements for agricultural products from Africa;
 - Push hard for emerging (e.g., China, India, Brazil) countries to provide duty- and quota-free access to all low-income countries in Africa and strive to substantially reduce other forms of trade protectionism negatively affecting these countries; and
 - Insist that African countries themselves free up their own markets to trade. They should be able to do so at a more moderate pace to reflect their own competitive disadvantages and development needs. (*p. 53*)
6. The Government of Canada should:
 - Broaden the coverage of its Least Developed Country Market Access initiative to include all low-income countries in sub-Saharan Africa, thereby removing virtually all barriers to imports from qualifying countries in that region; and
 - Ramp up Canadian assistance devoted to building up trade capacity in African countries and aggressively encourage the international community to enhance its commitments to the Integrated Framework for Trade-Related Technical Assistance to least developed countries. (*p. 114*)
7. The Government of Canada should enhance Canada's commercial profile in Africa by:
 - Establishing additional embassies and High Commissions in Africa and inserting more Trade Commissioners and Ambassadors with a commercial background in them to reduce the overwhelming existing focus on aid;
 - Conducting a greater number of investment and trade missions in Africa;
 - Implementing Foreign Investment Protection Agreements and Double Taxation Treaties in key African countries;
 - Identifying African business groups seeking to enhance ties with Canadian business groups;

RECOMMENDATIONS

- Increasing engagement with international business networks operating in Africa, especially the Commonwealth Business Council; and
 - Ensuring that Canadian companies operating in Africa follow ethical business practices. (*p. 109*)
8. The Government of Canada should increase Canadian awareness of commercial opportunities in Africa and provide Canadian businesses with improved services, by:
- Helping to create a more positive general impression of Africa;
 - Publicizing the presence and mandate of the Canada Investment Fund for Africa;
 - Providing Canadian firms with better intelligence on existing and upcoming projects in Africa;
 - Creating a new Program For Export Market Development for Africa; and
 - Providing Canadian businesses with improved risk management and financing tools, largely through more proactive and risk tolerant Export Development Corporation support to private-sector business activity in Africa. (*p. 110*)
9. The Government of Canada should improve its visa issuing system so as to facilitate visits by African business people and political leaders to Canada. (*p. 113*)

TACKLING CORRUPTION

10. Canada, in collaboration with other countries and various international groups including the Canada-founded Global Organization of Parliamentarians Against Corruption (GOPAC), should play an important role in having developed countries establish and enforce strong national legislation to address the embezzlement of public funds in Africa. This legislation should contain strong measures that would allow for the prosecution of those individuals involved in such embezzlement and guide the repatriation of the stolen funds to African countries. If any of these embezzled funds end up in Canadian financial institutions, the Canadian government should repatriate these funds. (*p. 73*)

IMF AND WORLD BANK STRUCTURAL ADJUSTMENT PROGRAMS

11. The Government of Canada should actively encourage the International Monetary Fund and the World Bank to implement structural adjustment programs in a real partnership with countries in Africa and only once comprehensive consultations with the people directly affected have been conducted. The World Bank should ensure that these measures do not, in fact, increase poverty and it should not prescribe policies that would not be acceptable to its main shareholder countries. With respect to agriculture, African nations should be able to independently determine their own policies and how they organize their agricultural sectors. *(p. 57)*

HEALTH

12. To help Sub-Saharan Africa deal with its serious health crises, Canada should assume a leadership role in encouraging the international community to:
- Take new initiatives to drastically reduce the threat of malaria and provide medication for those afflicted with the disease;
 - Achieve a single, harmonized, fully-resourced global plan to address the HIV/AIDS crisis. In developing this common approach, greater focus should be placed on preventing the spread of the disease;
 - Work extensively with African non-governmental organizations, local community organizations, traditional chiefs, and healers associations in stemming the incidence of AIDS in rural regions of Africa; and
 - Address the serious issue of female genital mutilation. *(p. 76)*
13. To improve the Canadian contribution to resolving health crises in Sub-Saharan Africa, the federal government should:
- Amend Canada's Access to Medicines Regime, including its underlying legislation, to make it more effective in prompting shipments of medications for HIV/AIDS sufferers to Africa;
 - Consider the direct purchase by Canada of the appropriate antiretroviral and associated pharmaceuticals, for distribution through reputable non-governmental organizations throughout the Sub-Saharan region; and
 - Ensure that its Official Development Assistance includes significant investment in inexpensive insecticide-treated mosquito nets and in the spraying of DDT on interior walls of African homes in the low-lying tropical areas where malaria is typically present. *(p. 117)*

RECOMMENDATIONS

PEACE AND SECURITY

14. The federal government should lead international efforts to generate increased financial, logistical and training support for the peace and security activities of the African Union and other regional security organizations in Africa. *(p. 80)*
15. Canada and like-minded countries should aggressively lobby the United Nations Security Council to provide its mission in the Democratic Republic of the Congo (MONUC) with a more robust Chapter 7 mandate and rules of engagement, as well as increased resources. *(p. 84)*
16. The Government of Canada should boost its support for peace and security efforts in Africa by:
 - Greatly expanding Canada's commitment to United Nations peace support operations in Africa, in particular MONUC;
 - Helping to build the capacity for peace in Africa by significantly increasing the budget and resources of the Department of National Defence's Military Training Assistance Program and by expanding the scope of the program to provide more training to greater number of officers from a greater number of African countries; and
 - Recommitting to and strengthening its work on children affected by armed conflict. It should expand the scope of such programs beyond direct "combatants," to include all children affected by war, specifically focusing new programs on post-conflict assistance for girls. *(p. 120)*

Last year, 6,000 black African men and women drowned trying to get to the Canary Islands. The Canaries lie about 200 kilometres off the coast of north-west Africa, where the Sahara meets the sea. The islands are Spanish. According to the Spanish government, 31,000 black African men and women reached the islands.

These desperate people do not live in the adjacent coastal region which is part of the Sahara Desert. Many travel thousands of kilometres from south of the Sahara: from Mali and Senegal and Burkina Faso, Guinea and other sub-Saharan West African countries. They spend their savings and in many cases their families' savings to find a place in fishermen's motor canoes to attempt the crossing, not from the nearest point which is patrolled, but from tiny harbours down the coast of Africa, as much as 2,000 kilometres to the south. The round trip can take fishermen from Senegal and Mauritania as much as 2 weeks.

It is said that it has become difficult to buy fish in Dakar market because the local fishermen earn as much in one illicit trip carrying people to the Canaries as they earn in a year's fishing.

The refugees are not fleeing political or religious persecution. They are what we in Canada called, during the Great Depression, the unemployed.

Spain has two tiny enclaves on the northern Morocco coast called Ceuta and Melilla. Until little more than one year ago, before Morocco decided to assist with controls, the flow of unemployed got as far as the enclave of Melilla, almost directly across the Mediterranean from Malaga. Formerly, when I passed through Melilla many years ago, it was a matter of crossing the street to go from Morocco to Spain. The Spanish have now erected high fences. Unemployed black Africans waited in woods on the Morocco side, with ladders. After dark they would rush madly at the fence with the ladders and if, in spite of searchlights and Spanish soldiers, they got over, they ran as fast as they could to a Red Cross facility where, because of peculiarities in Spanish law, they would be safe. These mostly young men had crossed the Sahara Desert and endured extraordinary hardship.

All of this: riding for days on rattletrap buses or more likely on the sun-baked backs of trucks because it is cheaper, to some port of embarkation; pleading with the fishing canoe captain

FOREWORD

for a spot; even worse if you don't have enough money, somehow crossing the Sahara desert to try and sneak past the Morocco frontier to take your chances at Melilla. All of this because you have no job and no prospects of getting a job. To get to Europe is their only hope.

All of this of course is taking place in northern tropical Africa. The escape route in southern tropical Africa is the Republic of South Africa. According to the South African Department of Home Affairs, "It is impossible to determine the number of illegal aliens in the country at any given time as these persons enter the country clandestinely. However, in a study that was done by the Human Science Research Council in 1996 it was estimated that between 2.5 and 4.1 million persons reside in the RSA illegally the majority originates from Mozambique, Zimbabwe, Lesotho..."

This massive poverty, unemployed millions is the state of affairs today. It is not getting better. Growth rates are little more than birth rates. And they are distorted by the fact some countries export oil. Much of that money ends up dubious accounts in European and North American banks. Put yourself in the other fellow's shoes. Imagine the outcry in Canada if such a situation existed here and think about the changes Canadians demanded because of the Great Depression.

This report is the result of more than 2 years work. It is about the 726 million people of tropical Africa, not North Africa and not South Africa. The committee heard from more than 200 witnesses and on 2 field trips visited Ethiopia, Kenya, the eastern Congo, Kinshasa in the western Congo, Nigeria, Mali, Senegal and South Africa. We traveled with UN forces helicopters from Burundi to the Kivu: by armed convoy from Bukavu to Goma where we held public meetings. That particular journey was a very moving experience. About 1,000 people were dying of starvation, illness and murder in the surrounding area, every day. We visited the clinic operated by the University of Kisangani where doctors perform only one operation: they repair the torn vaginas of raped girls.

Africa is a big place. As Chairman of the Foreign Affairs and Foreign Trade Committee in the last Parliament and Vice-Chairman in this Parliament, I have had responsibility for the Africa study. So in the process of organization I traveled to Casablanca, Cairo, Libreville in Gabon and Brazzaville in the former French Congo across the river from Kinshasa. I think that I

should add that as a young man I spent a couple of years in many parts of colonial Africa: some 26 countries. My life has been enriched by the hundreds of French, British and Belgian District Officers, Agricultural Officers, Health Officers, soldiers, missionaries, traders and ordinary Africans who in the most remote areas of the continent took the time to talk and explain about their particular part of Africa to this curious young Canadian traveling overland on his own.

We talk in the report about the massive failure of development aid in Africa. The best figure we have is that 570 billion U.S. dollars has been spent over the last 45 years. The graph on the front cover speaks for itself. In many areas the people are worse off than when I visited the same area nearly 50 years ago. And do not take that as nostalgia for colonialism. Colonialism was to a large extent based on a master-servant relationship which is unacceptable. But massive corruption and developed countries' intransigence to opening their agricultural markets and stone-walling the Doha trade talks ruins far more lives than colonialism ever did. This is entirely apart from the scourge of AIDS and malaria. The inexpensive cure for malaria has been known since Victorian times. Yet malaria today is the great killer of African children.

To end: this report is based on the testimony of witnesses, many, many of them Africans from peasant leaders to Presidents. The conclusions of the members of the committee are rooted in that testimony.

Also, I would like to thank some people. We met many fine Canadian representatives in Africa. I will never forget the cheerful reception by Nicholas Lepage and Luc Louis-Seize who met me at 2:30 in the morning at Dakar airport 13 hours after I left Kinshasa via Johannesburg for meetings with my colleagues who came from Canada and senior Senegalese officials including the Prime Minister and the Finance Minister. Mr Lepage and Mr Louis-Seize seemed to thrive in darkness. They sent us off to South Africa 2 days later at 5 o'clock in the morning, equally cheerfully. Louise Marchand, from CIDA, our Ambassador to Senegal was outstanding. In Cape Town, Chris Brown who is our Consul and seemed to be all by himself, was terrific, as was Ross Hynes our newly arrived High Commissioner to Kenya. This was our second field trip and I would also like to mention Fredericka Gregory, our Ambassador to Denmark, who organized one of our most fruitful days — examining how the Danes, with whom we often work closely, organize their system of development aid.

FOREWORD

From our first field trip I must mention the excellent work of Stephen Randall in the Congo. He enabled us to travel and organize meeting with witnesses in eastern Congo. That was not easy. David Angell, our High Commissioner to Nigeria was also outstanding.

Then there is our staff. Peter Berg, Allison Goody and Michael Holden from the Library of Parliament accompanied the committee to Africa, to the World Bank and IMF in Washington and the UN in New York. Peter came on the first field trip; Allison did the second trip and Michael, Washington and New York. When we are away from Canada and have no stenographers, they take the notes at our many meetings and write the first draught of the report. Mark Sorbara came with Senator Di Nino on the first trip and David Murphy accompanied me on the second trip. Denis Chouinard from Foreign Affairs was an excellent companion on the first trip. And then there is François Michaud our committee clerk. He did an amazing job. It is the clerk who does complicated travel arrangements and actually gets the witnesses through our embassies and deals with a thousand problems. I thank him.

Peter A. Stollery
Deputy Chair

CHAPTER 1: FAILURE IN SUB-SAHARAN AFRICA

[W]e surely must face the matter squarely that where there is something wrong in the manner in which we govern ourselves, it must be said that the fault is not in our stars, but in ourselves that we are ill-governed. ... We know it is a matter of fact that we have it in ourselves as Africans to change all this. We must, in action, assert our will to do so. We must, in action, say that there is no obstacle big enough to stop us from bringing about a new African renaissance.

*Nelson Mandela, OAU Meeting of Heads
of State and Government, June 1994*¹

1. The History of Failure

Over the last 40 years the world has experienced the most dramatic rise in standards of living in human history. International trade and economic development have increased at exponential rates. However, by all statistical measures, Sub-Saharan Africa has completely missed out on this growth. In many regions, the standard of living has actually declined.

This stagnation has been documented in many statistical reports. In Nairobi the head of the World Bank Office told the Committee that in 1948 Africa had a 7.5% share of world trade; in 2004 that share had decreased to 2.6%. A single percentage decrease represents US\$70 billion dollars. Furthermore, Professor Paul Collier, Director of the world-leading Centre for the Study of African Economies at Oxford University, told the Committee that “the defining problem with Africa is divergence. It is not just the poorest continent, but diverging from the rest of the developing world.” Africa is diverging from the rest of the world at the rate of 5% per capita income each year.²

Taken as a whole, Africa has the highest level of poverty in the world — over 40% of Africans live on less than \$1 per day — and the number of poor people there has nearly doubled

¹ “Statement of the President of the Republic of South Africa, Nelson Mandela, at the OAU Meeting of Heads of State and Government,” Tunis, 13-15 June 1994, www.anc.org.za/ancdocs/history/mandela/1994/sp940613.html.

² Meeting, London, United Kingdom, 18 October 2006.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

since the early 1980s. With roughly 50% of Sub-Saharan Africa's 726 million people living in poverty, the situation on that continent is tragic.

Thirty-six of the world's 49 least developed countries are located in Africa, with many of these countries, especially those most plagued by HIV/AIDS, having moved backwards in terms of key social indicators (see Appendix I). Despite the continent's vast economic potential, Africa continues to be wracked with famine and malnutrition, high infant mortality, and an average life expectancy of just 43 years. Communicable diseases such as malaria and tuberculosis, but particularly HIV/AIDS, have reached such endemic levels in many African countries that they are reversing any gains in economic development and threatening the future stability of the countries in question.

Moreover, relatively low rates of literacy and education, unemployment rates that in some cases reach 40-50% of the population, and crime all hinder private sector development and growth. While in Johannesburg, the Committee was told that South Africa had recorded 19,000-21,000 murders in 2005. Indeed, the Committee was struck by the severity of the violence in Johannesburg, South Africa, as during our hearings one of our witnesses told us that he had passed a crime scene on his way to our hearings, involving an attempted robbery of an armoured car in which 7 people were injured and a 15-month old baby was murdered during the ensuing shootout.

This Committee has reached the overall conclusion that the average African citizen has experienced no real increase in well-being since independence. This stagnation is unacceptable. It represents the forty year summation of the combined failures and misguided policies of African governments, the international community, and international donors, including Canada.

Based on its two year study of economic development in Sub-Saharan Africa, this Committee has concluded that poor governance and poor leadership are the most important factors inhibiting growth and stability in that region. This conclusion has also been reached by a multitude of international institutions, academics and practitioners in African development,

*including former World Bank official Robert Calderisi, who was that institution's official contact on Africa from 1997 to 2000. In his book, "The Trouble With Africa: Why Foreign Aid Isn't Working," he states that "The simplest way to explain Africa's problems is that it has never known good government No other continent has experienced such prolonged dictatorships ... these men spent their entire careers enriching themselves, intimidating political opponents, avoiding all but the merest trappings of democracy, actively frustrating movements toward constitutional rule, and thumbing their noses — sometimes subtly, other times blatantly — at the international community. They ruled like kings and drew no distinction between their own property and that of the state."*³

It is also important to state at the outset that these conclusions and criticisms are not targeted at ordinary African citizens, who display remarkable tenacity and courage in living in situations that would make many people give up hope, but rather at their governments.

The primary responsibility for rectifying this deficit in governance and public management rests with African governments themselves, who have the choice either to take concerted action to raise the standard of living of their people or to continue to hold their economies back and punish their people through mismanagement. It is also the responsibility of independent media, the private sector, and civil society to hold governments to account. This scrutiny and debate is critical in fomenting the demand for better service amongst the people.

In many cases, leaders have failed to tackle corruption and to provide sound governance for their citizens. This includes the failure to ensure the equitable and transparent management of the public purse and the failure to pursue viable and pragmatic economic strategies to raise the standard of living of their people.

Over the past two years we have heard many stories of errant leadership, misguided policies, and in some cases, blatant neglect. The Committee learned in Ethiopia, a country that has experienced devastating famines, that 3,300 agronomists had left Ethiopia for the United States to the obvious detriment of agriculture in the country. Most of these skilled workers fled

³ Robert Calderisi, *The Trouble With Africa: Why Foreign Aid Isn't Working*, New York: Palgrave Macmillan, 2006, pp. 57-58.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

the disastrous 1974-1991 Derg Regime. Indeed, more Ethiopian agronomists are heading faculties of agronomy in the United States than there are Ethiopian agronomists in Ethiopia.

The Committee visited the semi-arid province of Tigray in Northern Ethiopia. This area has been subject to devastating famine and intermittent rainfall and has received worldwide attention and repeated injections of food aid. In fact, the Committee saw bags of Canadian wheat stored in a warehouse in the city of Mekele. We were told that there is plenty of food in southern Ethiopia. However, there are no means in place to ship this food from the south to the hungry people in the North.

The Committee was also informed that today a mere 13% of Ethiopia's arable land is under cultivation. With proper agricultural policies in place, Ethiopia could easily be self-sufficient. One can reasonably conclude that current agricultural problems in Ethiopia have been, to a large extent, self-inflicted.

The imperative of good governance and the need to tackle corruption were common themes running through our meetings. In Kenya we heard that through the "Goldenberg Scandal," which involved high-level Kenyan officials in the Moi regime, Kenya lost hundreds of millions of dollars that were paid out in the form of unusually exorbitant subsidies to the Goldenberg International company for non-existent gold exports. We were told that the funds lost through this corruption would have been enough to pay for all secondary education in the country.

In Nigeria, another country visited by the Committee, hundreds of billions of dollars accrued by the government through oil revenues have had very little discernible impact on the lives of the Nigerian people. Much of this revenue was lost through outright theft and mismanagement and was therefore never invested in efforts to increase economic growth and reduce poverty. In his recent book, Martin Meredith put this plunder of funds under the rule of General Sani Abacha aptly: "Even worse were the vast sums siphoned off through corruption. Abacha's greed exceeded that of all of his predecessors. It was estimated that he stole more than \$4 billion, taking money either directly from the treasury, or from government contracts, or through scams like the Petroleum Trust Fund The looting continued right through to the end

of General Abubakar's regime. In the last months of military rule a flurry of public contracts went to well-connected firms. Foreign exchange reserves shrank by \$2.7 billion between the end of December 1998 and the end of March 1999."⁴ Despite its enormous oil wealth, gross national income per capita in Nigeria has in fact declined from its 1980 level of US\$810 to a meagre US\$430 in 2004.

Robert Mugabe is the current epitome of this failure to provide good government. As this Committee heard while in South Africa, Zimbabwe used to be one of the most advanced countries in Africa, but now there is nothing left, it is completely destroyed.

Meredith has summed up the situation in Zimbabwe well: "Through the use of brute force, Mugabe managed to regain his grip on power. But the cost was enormous. Over a five-year period, from 1999 to 2004, the economy shrank by one-third. Hundreds of thousands left Zimbabwe, desperate to escape economic collapse and political repression. The exodus included not only much of the remaining white community but a large part of the black middle classes — doctors, nurses, teachers, accountants and other professionals — who saw no future for themselves while Mugabe's regime lasted. Mugabe shrugged off the costs. He was equally indifferent to the vortex of murder, torture and lawlessness he had created, for that is what kept him in power."⁵

The governance situation has been so unacceptable in Africa that it has compelled a leading African businessman from Sudan, Mo Ibrahim, to set up a foundation to award a US\$5 million reward to the best head of government on the continent. Upon that ruler's exit from office, assuming that it is done in accordance with the country's constitution, he or she would receive ten annual instalments of US\$500,000 and thereafter an annual pension of \$200,000. The Foundation would also name (and hopefully shame) poor governing regimes, with the overall objective being to hasten the end of Africa's record of despotism.

⁴ Martin Meredith, *The Fate of Africa: A History of Fifty Years of Independence*, New York: Public Affairs, 2005, p. 581.

⁵ *Ibid.*, pp. 645-646.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

Rich countries also deserve a significant share of the blame for Africa's stagnation, beyond the traditional arguments pointing to "colonial legacies." The international community has failed in its complicity with the embezzlement of public funds that were stolen from African citizens. As we were told repeatedly while in Africa, poor governments on their own cannot corrupt themselves. The developed world decried the corruption of African leadership while seemingly turning a blind eye to the role of our banks in holding these embezzled funds. As Raymond Baker observed in his book on the world's "dirty money," "Nigeria has had some very venal individuals in positions of power and authority. The West has serviced their venality, opening its bank vaults to all the money that can be extracted from the country. Tens of millions of Nigerians are living at lower standards today than they were decades ago. Are the billions of dollars that come to the West worth the cost to them?"⁶ Moreover, the international community supported repressive and wasteful leaders during the Cold War to further their short-term strategic objectives; could Mobutu, who had professed an anti-Communist stance, have maintained his disastrous rule of Zaire for 32 years without the financial support of western countries?

The international community has also been unable to deliver a world trade agreement that lowers barriers to African exports and eliminates subsidies in rich countries that have distorted the world economy. The potential revenues lost as a result of these trade barriers and subsidies are much higher than anything Africa receives through aid.

International donors including Canada have also failed to maximize assistance to Africa by holding their international aid programs to account and scrutinizing their effectiveness. In the past 40 years we have allowed our aid programs to continue despite often clear evidence of their ineffectiveness. Unfortunately, transparency, evaluation, and discernible results have often been treated as peripheral concerns.

In the case of Canada, while many Canadians remain truly concerned about the plight of African citizens, official rhetoric about Canada's deep-felt concern for Africa has often been emphasized over the assurance that meaningful results were being achieved on the ground as a

⁶ Raymond Baker, *Capitalism's Achilles Heel: Dirty Money and How to Renew the Free-Market System*, New Jersey: Wiley, 2005, p. 68.

result of our aid. We heard from several witnesses that Canada's aid programs are slow, inconsistent, and dispersed to the point of having little impact.

2. Development Aid Must Radically Change

It has been estimated that the international community has spent a total of US\$568 billion on foreign aid to Africa since 1960.⁷ A taxpayer in Canada or Denmark or the United Kingdom might ask themselves what US\$568 billion has accomplished on their behalf. The answer is relatively little.

Developed countries have spent US\$568 billion in Africa over the last 43 years (in 2003 dollars), yet the Democratic Republic of the Congo has a total of 300 miles of paved roads and it takes two months to ship goods from Kinshasa to Kisingani whereas it used to take two weeks. It is incredible that in certain cases road systems were better 43 years ago than they are today. As the Committee witnessed first-hand, part of this US\$568 billion helped to pay for a state-of-the-art hospital in Mekele in the Tigray region of northern Ethiopia that sat completely empty without either the trained doctors or nurses required to make it operational.

After forty years and US\$568 billion in total aid, 75% of rural women in Kenya are still illiterate. US\$568 billion has not provided refrigerators for African families to store medicine that can prevent the transmission of HIV/AIDS from mother to child. US\$568 billion has apparently not been able to buy us the most basic commodity — malaria nets that cost only seven dollars. The Director of Denmark's Africa Division, Johnny Flento, told the Committee that despite US\$568 billion in aid flows, the total gross national income of all of Sub-Saharan Africa combined is less than half that of Canada.⁸

The Committee heard that US\$568 billion has done nothing to alleviate the economic desperation of the African people. While in Senegal, we heard that it is increasingly difficult to buy fish in Dakar, which is a traditional fishing community. This is because it is now more profitable for fishing boats to transport illegal migrants to the Canary Islands than to fish. In

⁷ William Easterly, "The Utopian Nightmare," *Foreign Policy*, September/October 2005, p. 61.

⁸ Meeting, Copenhagen, Denmark, 17 October 2006.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

transporting desperate migrants, Senegalese fishermen earn the equivalent of one year's salary in one trip. The Committee, having met with Mr. Faycal Sharara of the Confédération Nationale des Employeurs du Sénégal, concluded that people want to leave to the Canary Islands, Europe, and Canada no matter what the costs and what they will be doing there. They are saying — anything would be better than what I am experiencing here.

However, it can often be difficult for the average citizen in an affluent country such as Canada to understand what an abstract characterization like absolute poverty means in concrete terms. As the Committee witnessed first-hand on its travels to Africa, absolute poverty is not an economic distinction or sterile category used for statistical purposes. In many African countries, grinding poverty is daily life, it is hardship. It is a condition where aspirations are overshadowed by daily challenges to ensure the basic necessities.

What absolute poverty means for the day-to-day reality of many African citizens is hunger, anxiety, and the loss of both dignity and any sense of efficacy — the sense that their daily struggles and work will result in meaningful change either for themselves or, more importantly, for their children.

In Kenya, 56% of the population lives in absolute poverty. This means that in a country of 33 million, 20 million citizens continue to go to bed on one meal a day. Twenty million Kenyans go to bed with one meal a day in a country where Members of Parliament receive one of the highest average salaries in the world. A Member of Parliament in Kenya earns no less than US\$80,000 each year, a figure which can increase to around US\$120,000. Yet despite this level of pay in a country where the per capita GNI is US\$480 and where the people recently suffered through a severe drought, Kenyan politicians managed to pass only 22% of bills through Parliament in the last year.⁹

While this Committee in no way seeks to understate the hard work and generosity of aid workers and certain national governments over the last decades, good intentions are not enough. We must do better.

⁹ In Nairobi, the Committee heard some arguments that this was in fact an indication that democratic processes were functioning well in Kenya.

We know that international assistance for development will not disappear. Given this reality, we believe that development aid must radically change and must be scrutinized for effectiveness, efficiency, and results in the same rigorous manner as any important domestic government program or private sector business plan. We believe that this assistance must be targeted specifically at improving political and economic governance in Africa, encouraging private sector investment in the continent, and spurring economic growth and creating jobs for a broad base of African citizenry. Moreover, accountability for results and transparency in process must be mandatory requirements for all international assistance.

Effective international development is both the right and responsibility of Canadian taxpayers and the Canadian government, the international community of donors, and African governments and citizens themselves. But in the final analysis we can never lose sight of the undeniable purpose of international development: we as a country and an international community engage in international development in order to render the need for such development obsolete.

3. The Creation of Economies in Africa

In the past forty years the majority of African countries have diverged dramatically from Asia. We were told that Kenya at independence was one of the most advanced countries in Africa, with a standard of living in 1963 equivalent to that of South Korea. At independence in 1964, Zambia was better off in per capita terms than Singapore.

Today, the gross national income (GNI) per capita of Kenya is US\$480 compared to US\$14,100 in South Korea (i.e., 29 times more); the GNI per capita in Zambia is US\$400 compared to US\$26,600 in Singapore (i.e., 67 times more). These two Asian states have emerged as leading market economies while Kenya and Zambia have struggled to achieve sustained economic growth, despite receiving substantial amounts of foreign aid.

In the course of its travels to Sub-Saharan Africa, the Committee witnessed first-hand the paradox of many African economies: a dynamic informal economy operating side-by-side with a cumbersome formal economy. The Committee saw residents of Dakar, Abuja, Bamako, Kinshasa

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

and Addis Ababa who were active on the streets trying through any means possible to make a living and engage in commerce. It met with groups of determined women, who had previously been sidelined in the economy, and were now trying to build and expand their own small businesses through new access to microfinancing.

For example, the informal sector of Senegal's economy accounts for 54% of all economic activity. Yet despite the underlying dynamism that was apparent to us in the Senegalese economy, Senegal is still considered to be a poor country, and assessments often point to restrictions against private sector growth, which is deterred by a poor regulatory and legal environment.

The entire focus of international interventions in Africa must change. We were told that there is no Millennium Development Goal for job creation. But how can we talk about helping African societies without focusing on the economy and jobs?

Governments in the West have often pre-determined that what Africa needs from rich countries is social welfare, a "big push" of aid directed to health, hunger and education. Yet employment is often the single-greatest concern of the average citizen, whether that citizen lives in Senegal or Canada, as a job means income, dignity, social mobility, and independence.

Indeed, on average 50% of the population of African countries is composed of young people between the ages of 5 and 24. To prevent this young population from turning to political extremism or despair, surely it will need employment and opportunities.

This sentiment was echoed to us again and again by our witnesses. African people do not want us to provide their social programs; they want viable economies, skills and technology, and jobs. In Mali, the greatest demand that was made of us was not more aid, but rather a fair world trading system where cotton farmers could export their competitive products. As Professor Collier told the Committee in London, international donors in Africa currently "have maximum interference in sovereignty with minimal impact — our interventions are ad hoc, and confused, with a lot of finger-wagging."

Therefore, the Committee has come to an overriding and inescapable conclusion: that African governments and the international community, including Canada, must focus the bulk of their attention on building stronger economies on the continent. These must include vibrant agricultural activity, as opposed to the subsistence farming that is now occurring, and other forms of private-sector economic activity. This will entail developing and expanding the manufacturing, services, natural resource, and high-tech sectors that can give Africans the kind of desirable jobs and future for which they are desperate.

Sizeable injections of foreign aid have not provided sustainable, high-quality jobs for large numbers of people in the past, and they have often left recipient countries dependent on this external assistance. Therefore, the focus of international interventions in Africa must shift towards generating investment, job creation, and trade.

This Committee believes that with stronger domestic economies, African countries will be in an improved position to provide social services to their people, including education, food security, and health.

4. An “African Renaissance”?

Despite Africa’s divergence from other countries over the decades, there are indicators that the situation in Africa is getting somewhat better.

The Committee was told that 16 countries have achieved annual GDP growth in excess of 4.5% since the mid-1990s and that the overall African economy expanded by almost 5% in 2005. For 2006, growth is expected to reach almost 6%.

Governance is improving and the idea that the benefits of economic growth should be shared equitably and transparently is taking hold. While in many cases democratic institutions remain weak and “one-party rule” continues in essence, 43 of 48 sub-Saharan African countries have held multi-party elections in recent years. The African Union has pledged not to recognize governments that come to power through non-democratic means.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

The New Partnership for Africa's Development (NEPAD) has been an important development in this regard. NEPAD is the first comprehensive plan originating from, drafted by and sanctioned by Africans.¹⁰ It recognizes that Africans themselves must exercise leadership, implement political and economic reforms, and take ownership of the problems undermining development in their countries. In turn, the international community will provide investment, aid, debt relief, and a superior international trading system.

Moreover, the Committee understands that it is simplistic and misleading to paint the entire continent with the same brush, treating national problems as representative of the entire continent. Indeed, there are 53 countries in all of Africa, which differ vastly in terms of history, population, culture, religious beliefs, geography, and available resources. Africa exhibits a great deal of diversity, with poverty and economic growth spread unevenly across the continent.

For example, in sub-Saharan Africa, Senegal has managed to lower its adult HIV prevalence rate to 0.9% and achieved GDP growth of approximately 6% in 2005. The Committee heard that Tanzania had surpassed its enrolment targets for primary school-aged children, increasing enrolment from 59% in 2000 to 91% in 2004. Across the continent, primary enrolment rates have risen significantly.

However, optimism about Africa is not a new phenomenon. Hope has appeared on the horizon before. Following the independence of Ghana in 1957 and the wave of decolonization that swept the continent in the 1960s and 1970s positive expectations for Africa's future were unbridled. Abundant and valuable natural resources and dynamic and entrepreneurial citizens were present in African countries then as they are now. We cannot escape the reality that forty years after independence there is no adequate road system connecting Dakar (Senegal's capital and largest urban centre) and Mali, that subsistence agriculture still accounts for 60-80% of many African economies, and that net foreign direct investment in Africa only represented 1.6% of global flows in 2004.

Therefore, this Committee is not convinced that these recent improvements are indicative of a general shift in Africa towards sustained economic growth. Sustained economic

¹⁰ *Evidence*, Anne Marie Bourcier, DFAIT, 8 February 2005, 38th Parliament.

growth implies that such growth is self-renewing and not owing to temporary changes in the prices of certain commodities or external assistance.¹¹ Long-term economic growth is built on a bedrock of institutions — the rule of law, enforceable property rights and contracts, a strong judicial system, sound macroeconomic management and political governance, effective and transparent rules and regulations, an attractive investment and business climate, a vibrant private sector, independent media, and professional security forces. Building these institutions and firmly entrenching a culture of effective rule in Africa is both a national and an international responsibility.

Due to the extensive challenges to economic development in sub-Saharan Africa and its divergence from the rest of the world economy, incremental changes in pockets of the continent are insufficient. In order for these positive indicators to result in an economic transformation of sub-Saharan Africa, strong institutions, sound political and economic governance, and conditions for economic growth and investment must be deepened and advanced.

The following chapters will outline an action plan for African governments, for the international community, and for Canada. The Committee believes that this plan will help ensure that recent positive advancements in Africa will result in a lasting change — hopefully even what Nelson Mandela referred to as an “African Renaissance.”

¹¹ Africa contains approximately 8.2% of global oil, 7.7% of natural gas and as much as 45% of the world’s strategic minerals. The average annual GDP growth rates for oil-exporting states in Africa from 2000-2004 were: Angola 8.1%, Chad 14.7%, Equatorial Guinea 11.8%, Nigeria 5.4%, and Sudan 6.0%.

CHAPTER 2: WHAT AFRICA NEEDS TO DO

What African governments need to do is fundamental and widely recognized: they must put in place the conditions for prosperity. In essence, African leaders must govern in a way that maximizes economic growth and ensure that the benefits of this economic growth are shared with the population and invested in the future development of their countries. They must take real action to raise living standards and to provide lasting peace and stability for all of their citizens. Good governance should be a constant expectation instead of a sought after goal.

In Nairobi, we heard that Kenya has “no business being a third world country.” It has the necessary resources for growth — a relatively well-educated population, natural resources, a huge potential for tourism, basic infrastructure, and a sizeable population and territory. Political mismanagement holds Kenya back. Indeed, the Head of the World Bank Office in Nairobi, Colin Bruce, told the Committee that “corruption is probably the main factor preventing 8-9% growth in Kenya.”¹²

Most importantly, African leaders must create an environment that encourages foreign investment and the development and expansion of the private sector within their countries. A healthy private sector can then serve as the basis of successful economies, driving investment, and creating durable and desirable jobs for African citizens.

We heard repeatedly that accelerated economic growth is the only option for Africa. The alternative is continuing stagnation. Indeed, between 1980 and 2003 the average GDP growth in Senegal was 2.7% which virtually matched population growth. As a result, citizens on average were not any better off. We heard strong evidence to suggest that without 7-9% annual economic growth, most African countries will be unable to reduce poverty and raise the standard of living of their people. Achieving this level of growth will require significant changes in current economic policies and unwavering political will on the part of African leaders.

¹² Meeting, Nairobi, Kenya, 13 October 2006.

1. Develop a Private Sector

The private sector in Africa remains relatively underdeveloped, with a focus on agriculture and natural resources — sectors characterized by low prices, low value added and stiff international competition. This is compounded by the absence of an enabling environment and the absence of adequate and sufficient infrastructure to support that economic development.

*Mr. Paul Hunt, Vice-President, Africa and Middle East Branch,
CIDA¹³*

One hour into a visit to Bamako, Accra or Dar es Salaam, and one can draw an immediate conclusion: the private sector and the entrepreneurial spirit it requires are alive in Africa. However, much of the entrepreneurial efforts are informal, inefficient and hampered by a variety of impediments.

*Mr. Brian Mitchell, Director,
Africa, Trade Facilitation Office¹⁴*

Currently, it is still rare to find large, broadly-based and competitive private sectors in sub-Saharan Africa. In many cases, the formal private sector does not exist.

In many African countries, the private sector is underdeveloped, being primarily focused on subsistence agriculture and natural resource extraction. Manufacturing remains a costly endeavour and represents a very limited percentage of most African economies. In the United Kingdom, the Committee was reminded by Professor Paul Collier of Oxford University that Africa and Asia were at the same level of development in the 1960s. The difference: Asia developed through low-cost labour and manufacturing.

In sub-Saharan Africa, the domestic private sector consists almost exclusively of micro, small and medium-sized enterprises, on top of the family farms that dominate local economies. A high percentage of these enterprises — in the order of 40% — operate within the informal economy.

¹³ *Evidence*, 8 February 2005, 38th Parliament.

¹⁴ *Evidence*, 13 April 2005, 38th Parliament. - The Trade Facilitation Office is a not-for profit corporation originally founded by the Government of Canada and now receiving funding from the Canadian International Development Agency, international development agencies and private organisations.

It is important to note that African economies are much more dynamic than is often suggested through official statistics. Many of these economies are dominated by the informal sector. Integrating the formal and informal economies will be a key step in generating sustained economic growth.

The Committee heard often that entrepreneurial spirit in Africa is alive and well. The informal sector is the dynamic undercurrent of what is often a stagnant formal economy in many African countries. African governments must unleash this entrepreneurial spirit and avoid policies and measures that stifle the energies and ambitions of their people.

While Africans display considerable raw entrepreneurship, what is missing is the support system for small business: a reform of the business environment, greater access to financing, better infrastructure, and improved managerial capacity and business knowledge.

Governments need to encourage private sector development by creating the proper enabling environment for business and investment (see Appendix II). They need to remove all barriers to economic activity. This will involve facilitating access to credit and savings, streamlining regulations and government approval of projects and permits, enforcing the rule of law and property rights, reducing government interference in the economy, and ceasing all political harassment. Simply put, governments must make it easier for farmers, small business operators, natural resource (e.g., oil and gas, mining) operators, service providers and other individuals to do business in Africa.

On the issue of regulation, regulatory certainty and speed are vital for the attraction and retention of private investment. According to the World Bank, Sub-Saharan Africa continues to be the most difficult place to do business in the world. Right now, it costs a staggering 215% of the annual per capita income in that region to start a business. Indeed, it takes almost 150 days to start a business in Angola and Mozambique. Naushad Merali of the Sameer Group (a large investment partner in Africa) told us in Nairobi that it takes 28 permits to run his company.

Why would any business, which by necessity must generate profits in a short time period in order to survive, choose to operate in such a costly environment? Clearly, it should be

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

considerably easier to open and close a business, hire and fire workers, enforce contracts, obtain credit, transport goods to markets, and protect investors.

Moreover, African governments must open their economies to outside investment and projects and facilitate joint ventures within their country. Government cannot be an impediment to this process. We heard in Senegal that the government is increasing its share in mining operations from 10% to 25%. Because these mineral deposits straddle the border, this action is driving most mining companies to move their operations to neighbouring Mali. The Finance Minister of Senegal did not seem troubled by this loss, despite the fact that those investments involve valuable jobs for the Senegalese people.

Overall, the Committee was struck by the fact that little attention has been paid to the creation and preservation of decent jobs in Africa. The absence of jobs is a vital issue for the massive youth population on that continent. In some countries, at least 40-50% of the youth in the cities are unemployed and those that are employed are underemployed. They have been driven to the cities from the stagnating rural farms in search of urban jobs. For this reason, investment must be encouraged, not only in the resource sectors where Africa has an advantage, but also in labour-intensive industries, such as those found in the urban manufacturing sectors that are so highly developed in a number of dynamic Asian economies.

Africa does possess two important advantages: it offers a huge potential market for the world and returns on investment in Africa are rarely below 10%. Unfortunately, the current level of investment is severely lagging behind other regions of the globe. Until now, investment from private interests has remained inadequate and foreign direct investment (FDI), which amounts to a mere 1.6% of the global total, has not even approached appropriate levels. This must change.

2. Improve the Overall State of Governance

The basic problem in Africa is the vampire state ... which has been hijacked by crooks and bandits, who use the instruments of the state to enrich themselves. They are cronies and tribesmen and they exclude everyone else. The richest people in Africa are heads of state, and ministers, and quite often, the chief bandit is the head of state himself. These people take over every key institution of the state. They take over

the military, the judiciary, and the media and subvert these institutions to serve their interests. Rule of law does not exist for the people. Transparency does not exist for the people.

*Mr. George Ayittey, Professor, Economics,
American University, Washington, D.C.¹⁵*

Six key areas stand out. Parliaments need to be strengthened with training and resources to improve the quality and effectiveness of legislation and oversight. Judiciaries need more support and protection of their independence. Public sector management needs an injection of professional skills and the ICT tools to provide greater transparency and accountability. The public services need to improve delivery in vital areas, such as education and health. Conditions for the private sector need to improve, and media institutions need to become more credible and responsible in order to play their watchdog role in society.

*Mr. K.Y. Amoako, Executive Secretary,
United Nations Economic Commission for Africa and,
United Nations Under-Secretary-General¹⁶*

In general, it would be an understatement to conclude that the state of governance in Africa has not been up to standard. Too often, African governments have governed poorly and have neglected the needs of much of the population. Regrettably, political instability, violent conflict, rampant corruption, the lack of sufficient rule of law, and a dearth of strong institutions have been a feature of the African landscape. Continued progress in all of these areas would significantly boost investment prospects and the overall quality of life in African countries.

On the political side of the reform ledger, there are a number of key areas for improvement. First, the Committee was told that African rulers must eliminate patronage systems that benefit a small percentage of the citizenry, benefiting a narrow political base at the expense of the majority. Too often, poor countries have remained poor largely because their leaders have kept them that way.

Second, elections must be free and fair, and there must be genuine democracy supported by a system of checks and balances. A 28-country survey of governance in Africa, undertaken by the UN Economic Commission for Africa (UNECA), found that many countries had made significant strides in shifting to more democratic political arrangements and to greater

¹⁵ *Evidence*, 10 May 2005, 38th Parliament.

¹⁶ *Evidence*, 15 February 2005, 38th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

inclusiveness of the citizenry in decision-making.¹⁷ For example, 43 out of 48 sub-Saharan countries have now held democratic elections. However, democratic institutions and practices in many of these countries remain weak and certain countries continue to be plagued by the culture of “one-party rule.”

Third, the public sectors of many countries need to be reformed and the role of their civil societies strengthened. We were told by Dr. Mohan Kaul, Chief Executive of the Commonwealth Business Council in London that improvements in governance are often the result of pressures from the population — an increase in demand for services and accountability from the citizenry. “If people have a stake in the economy, they will have a stake in holding governments accountable.”¹⁸ Civil society plays a crucial role in generating this demand and debate around the economic policies and performance of the government. The Committee heard that ordinary citizens and civil society must serve as a counterbalance to the state.

Fourth, the Committee was informed that institutions need to be developed and/or improved, and their independence ensured. This includes countries’ judiciary, media, central bank, electoral commission, civil service, and armed forces. Botswana was provided to us as an example of a country possessing the basic institutions of a state that works. However, we also heard that in many other countries, serious deficits in institutional capacity remain.

To date, some progress has been made in terms of realizing democracy, strengthening civil society and the media, and improving other aspects of governance. The African press is now freer, more multi-party elections have taken place, and the implementation of NEPAD’s African Peer Review Mechanism (APRM) is a step in the development of improved political and economic governance.

The APRM assesses and monitors the progress of African countries in meeting the goals of achieving good political and economic governance. It is a voluntary process of self-assessment by countries to identify and apply best practices in political and economic governance. Under this mechanism, African countries offer up their efforts at reforming

¹⁷ Economic Commission for Africa, *Striving for Good Governance in Africa*, Synopsis of the 2005 African Governance Report, 2005, p. vi.

¹⁸ Meeting, London, United Kingdom, 18 October 2006.

governance for scrutiny by an outside panel of experts. Civil society and the private sector have been key elements of this review process.

Several witnesses observed that willingly subjecting one's own governance to a review by one's peers is not a small commitment. As we were told, it would be like Canada willingly submitting its governance to a review by the United States and Mexico.

While some progress is being made on the issues of governance, the pace of improvement needs to be accelerated. Moreover, the jury is still out on what ultimate influence NEPAD's APRM will have on governance in Africa. The Committee heard from witnesses who highlighted the positive pressure that a peer-review process can impose on leaders. For example, in South Africa the very process of completing the review process had value as it encouraged a national dialogue of governance issues. In order for South Africa to submit its response to the APRM questionnaire, it engaged in a public awareness campaign and formed a national governing council that included representatives from labour, business, and government. Lynette Chen of the NEPAD Business Foundation described this "Self-Assessment" report as "a snapshot of the state of the nation, but from the people's perspective."¹⁹

However, we also heard from those who questioned the merits of the entire exercise considering that the reviews of one government leader are being conducted by another and not through a more objective and independent process. In terms of the process, the word "review" is misleading. The APRM is not a pass or fail review. The Committee questions the value of any governance review process that does not result in a clear and decisive evaluation of whether a government is good or bad.

As well, the Committee received evidence that the entire peer-review process is cumbersome, bureaucratic and slow. The message given to the Committee in Africa was loud and clear: turning a blind eye to any poor performer in the area of governance (e.g., Robert Mugabe in Zimbabwe) spells hypocrisy and sends the message that good governance initiatives are questionable.

¹⁹ Meeting, Johannesburg, South Africa, 11 October 2006.

3. Aggressively Tackle Corruption

Many ordinary Africans encounter the state only in terms of its coerciveness and in the extraction of monetary benefit, usually as represented by the police and the security services. Every other expectation of the provision of access to education and to broad welfare has become a fallen hope for most citizens of the continent.

Mr. Adebayo Olukoshi, Executive Director, Council for the Development of Social Science Research in Africa, Dakar, Senegal²⁰

Corruption alone costs Africa \$148 billion per year. Obasanjo, the leader of Nigeria, said that since independence, African leaders have stolen \$140 billion from their people. If these leaders can invest one-half of that loot in Africa, things will turn around.

Mr. George Ayittey, Professor, Economics, American University, Washington, D.C.²¹

Corruption is a huge obstacle to investment and it siphons off the benefits of growth. It is a symptom of bad governance and must be reduced for investment to prosper.

African countries are generally perceived as being among the most corrupt in the world. According to the African Union, African countries lose an incredible US\$148 billion each year to corruption. Indeed, it is beyond belief how African countries that are so wealthy in terms of their natural resource base can be so poor. Unfortunately, so much of the resource revenue generated in oil- and mineral-rich countries ends up in the wrong hands.

The Committee was informed that if African leaders could rein in corruption, they would have all the money that they require for development purposes. Ultimately it is Africans themselves who have to improve things.

Corruption is largely the result of individual decisions by leaders and officials to use public office for private gain. Country rulers should not be able to remove public moneys for their own uses and not be punished. In a perfect world, government employees would also not

²⁰ *Evidence*, 19 April 2005, 38th Parliament.

²¹ *Evidence*, 10 May 2005, 38th Parliament.

be able to divert revenues (e.g., bribes, informal police fines) or expenditures into their own pockets. For their part, companies doing business in these countries should not pay bribes.

African leadership must develop a zero tolerance policy for theft and bad faith-inspired gross mismanagement. Eliminating corruption would require countries to establish stronger institutions and the effective rule of law; eliminate undue or excessive political patronage; set up an independent, professional public service; and develop a civil society that can generate public pressure to remove corrupt practices.

4. Improve Infrastructure and Access to Energy

Even if we removed all trade barriers to agriculture tomorrow, some countries would still be unable to export their products because of supply side constraints — infrastructure and communications.

*University of Cape Town Graduate School of Business*²²

If you factor out South Africa, access to energy on the continent is 7%.

*Mr. Rory Kirk, Managing Director,
Hatch Africa (Johannesburg)*²³

Without power that is reliable, it is difficult to envision economic development.

*Mr. Joseph K. Kinyua, Permanent Secretary,
Ministry of Finance, Kenya*²⁴

Africa also needs to improve its economic infrastructure. After years of being mismanaged by state-owned monopolies, the infrastructure in most African countries is close to breaking down. In many cases, it is non-existent. There are currently large gaps in the availability and quality of key infrastructure, especially in low-income countries and in poorer rural areas within countries.²⁵

²² Meeting, Cape Town, South Africa, 9 October 2006.

²³ Meeting, Johannesburg, South Africa 10 October 2006.

²⁴ Meeting, Nairobi, Kenya, 13 October 2006.

²⁵ Often, infrastructure services are not targeted to the poor.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

Transportation shortcomings are everywhere. Of paramount importance, Africa requires an extensive road system from the coast to the interior as well as within the interior itself, where such a high percentage of the population resides. In turn, improved roads could lead to better distribution of farm goods to markets as well as agricultural inputs to farmers. We heard that the lack of sufficient road, rail, and air networks within and between African countries has prevented the growth of intra-African trade and contributed to the continuing dominance of Africa's economic relations with Europe.

Infrastructure deficiencies also exist with respect to energy production and dissemination and energy infrastructure. Insufficient and unreliable access to energy is one of the greatest impediments to economic growth in Africa. Rolling power outages occur daily in Dakar, the economic hub of Senegal. This severely reduces the attractiveness of Dakar to businesses and outside investors. Moreover, it is estimated that only 15% of Kenyans have access to electricity. A representative from the Ministry of Energy in Kenya told the Committee "without power that is reliable, it is difficult to envision economic development." Regional energy pooling such as those initiatives being proposed between Kenya and its neighbouring states and the development of regional energy initiatives were presented as the most viable options to overcome national challenges in producing energy and to increase overall access to energy on the continent.

Investments in infrastructure can bring major benefits. These include reductions in the cost of doing business, greater access to markets, a boost to a country's trade performance, and an improvement in the delivery of health and education services. Better roads would also allow for a better response by police and security forces to developing crises.

5. Make Agriculture a Priority

Taking people out of agriculture and sending them to the city when there is no industry is not a sustainable solution.

*Mr. André D. Beaudoin, Executive Director,
UPA Développement international²⁶*

²⁶ Evidence, 22 March 2005, 38th Parliament.

Approximately 70% of the population is involved in farming; it may have been 85% a few years ago. That means that people who can no longer earn a living from farming that they give up and move into the cities. We have some very large cities in Mali today, and our country has barely 11 million inhabitants. One of our cities has a population of almost 2 million today. This is ridiculous. However, in this city, there are no jobs; there are no factories or any viable economic sector. That means that these huge cities we are building are becoming impossible to live in, because if the people who come from the country cannot find employment in another economic sector, they will not be able to live decently. That means we are facing an explosive situation in the medium term.

*Mr. Ibrahima Coulibaly, Manager, External Affairs,
Association of Professional Producers of Mali²⁷*

Agriculture is a crucial activity in Africa. As the Commission for Africa made clear in its February 2005 report, agriculture is the most important sector in the majority of sub-Saharan African countries.²⁸ Agricultural activity contributes at least 40% of exports, 30% of GDP, up to 30% of foreign exchange revenues, and a massive 70% of employment in that region. Agriculture is a sector dominated by the poor.

The African continent used to feed itself and even export agricultural products to Europe. By contrast, today, 200 million Africans are affected by serious food shortages and Africa has to import food. Africa spends as much on food imports today as it does on aid. Clearly, increasing agricultural production, and generating market access for this production, is essential to Africa's economic resurgence and poverty reduction.

However, agriculture has often been overlooked as a catalyst for development within Africa. There is a growing recognition that investments in agriculture — both by developing and donor countries — had declined. This decline was a reflection of the fact that agriculture had fallen out of favour as a development priority for African countries and donors alike, and for international financial institutions.

Indeed, there has been a heavy urban bias in public spending and policy-making in Africa. Countries have often adopted ill-suited and urban-based industrialization strategies. In

²⁷ *Evidence*, 8 March 2005, 38th Parliament.

²⁸ *Our Common Interest*, Report of the Commission for Africa, March 2005, p. 229 and 271.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

the process, domestic agriculture has been neglected or even penalized through such measures as controls on prices and markets as well as heavy taxation. Since the 1960s, the level of public resources allocated to agriculture (usually under 10% of public spending) has been consistently low relative to the sector's size and contribution to the economy. The Committee was told that the ruling elites in Africa neglected agriculture because they thought it was backward and primitive and this neglect is the reason why Africa cannot feed itself today.

African countries must take some responsibility for their own farming failures. Agriculture and rural infrastructure must be made top priorities, so that investment and productivity in the agricultural sector can increase. In our view, progress on agriculture will combat hunger, raise farm incomes thereby reducing poverty, create economic activity in rural communities, and retain farmers on the land instead of having them migrate to the cities where economic opportunities are currently limited.

At the same time, it is also worth noting that agriculture is the most crucial economic activity because of the absence of significant additional private-sector output. If agriculture becomes efficient over time, farms will become larger, productivity will increase and employment will decrease. More Africans will be fed and exports will increase. There is thus an imperative need to develop additional private sector activity in African economies concurrently with agricultural reforms. Otherwise, the development of efficient African agriculture will generate massive unemployment among those former farm workers migrating to the cities.

On the positive side, it appears that a number of African countries as well as the World Bank are beginning to focus on agriculture in Africa once again. Agriculture is a central priority in the World Bank's Africa Action Plan, which aims to increase economic growth and combat poverty in support of the United Nations' Millennium Development Goals (MDGs). For their part, African governments have made a commitment to invest at least 10% of their budgets in agriculture, their most important economic sector — in Mali, the Committee heard that the figure for that country was 13%. While still not enough, this 10% investment requirement is, at least, a start.

6. Raise Agricultural Performance

Our agricultural implements consist of ploughs pulled by oxen; that is generally what we use. In Mali, 55% of farm families use that type of equipment. The other families, the other 45%, do not even have a plough and oxen. Those are the kinds of difficult circumstances these families live in despite all the aid this country receives. In 2005, this is the case in Mali.

*Mr. Ibrahima Coulibaly, Manager, external affairs,
Association of professional producers of Mali²⁹*

Nothing is being invested in agriculture which is an enormous source of wealth. Agriculture has remained at the subsistence stage. No investment is being made. It is just a full day's job, with a hoe in your hand and your back to the sun. A father, a mother and a family with 10 children cannot produce enough to feed 12 people. There is just no investment.

Mr. Kashimoto Ngoy, International Development Researcher³⁰

At the heart of the agriculture issue has been Africa's inability to increase the productivity of its lands. Farm output has increased, but this has been mostly due to an increase in the area of land under cultivation.³¹ Moreover, food production in Africa has failed to keep pace with population growth and food yields are far below those of other parts of the world. Clearly, productivity on African farms must be increased.

A major factor behind the performance of the agriculture sector in Africa is the relative absence of agricultural investment. There is a link between the decline in investment targeted at agriculture and a decline in performance of the sector. There is a need to give farmers incentives — in the form of access to markets, land tenure, irrigation, etc. — to invest in agriculture to increase productivity. There is also a huge requirement for more modern farm tools to replace the primitive implements that currently exist.

²⁹ *Evidence*, 8 March 2005, 38th Parliament.

³⁰ *Evidence*, 1 June 2005, 38th Parliament.

³¹ In Ethiopia, however, the Committee was informed that a mere 13% of that country's arable land is under cultivation. With proper agricultural policies in place, it is more than likely that that percentage would increase.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

When we asked farmers in Ethiopia what they thought the number one issue was for them, the answer was always the same: they need markets for their output. While the Ethiopian authorities are attempting to change agriculture from the current subsistence farming practices to production for the market, the missing ingredient for many of these farmers is the existence of a market itself.

In Ethiopia, regional government officials are trying to find markets for producers; it would help if the cities in Africa become more prosperous and be in a better position to purchase farm production.

Land tenure is another important issue. In the traditional African culture, land belongs to everyone. As a result, in some countries the political leaders decided to have the state own the land. However, the Committee is convinced that in Africa the existing land tenure system can be a barrier to boosting farm productivity. For example, rural land in Ethiopia and Nigeria is not private but people have possession rights, in other words they can lease it but not sell it. The Ethiopian government introduced land certification two or three years ago, a move which may guarantee that land can be passed on to subsequent generations, but does not totally guarantee ownership.

The lack of secure rights to use or own the land has discouraged farmers from making the long-term investments that the land requires and that the population requires to achieve food security. Agricultural policies must change to reflect this desire for greater security of land ownership. African counterparts should give serious consideration to improving existing land tenure systems so as to give agricultural producers more secure rights to the land.

Another challenge facing agriculture in parts of Africa is a lack of supporting infrastructure. Increased rural access to roads would not only make it easier for crops to reach market, but would also significantly lower the cost of obtaining materials such as fertilizer and equipment.

As the Committee experienced first hand in the countries it visited in Africa, it is difficult to imagine development happening without better roads. In Ethiopia, we heard of the high costs of shipping food by road from the food-surplus regions in the southern part of the

country to the food-deficit regions of northern Ethiopia. The same maize available in the south for \$1,000 per ton would cost a full \$5,000 in the north, with much of that price discrepancy attributed to transportation costs. A similar story was heard during our visit to a rural region in Nigeria.

For want of necessary infrastructure, the incidence of irrigation is low. In fact, barely 4% of arable land in sub-Saharan Africa is irrigated. Poverty could be reduced considerably if a higher proportion of land could have access to nearby water.

There is also a need for post-harvest infrastructure. Post-harvest losses make up a high proportion of total farm production and improved storage and rural transport infrastructure is critical. When the Committee travelled the mud track north of Bukavu, which used to be a paved road, we passed scores of women hauling heavy loads of firewood, plantains, and bananas to market. They had left their homes in remote villages hours before dawn. This system of rural transport is not the future of agriculture in Africa.

Increased agricultural research, education and extension services (i.e., technical assistance) and investment in local processing operations would also be helpful. Whereas other developing regions of the world enjoyed a surge in crop yields in the 1970-2000 period, stemming from the development of high-yielding plant varieties and an increased use of fertilizers and irrigation, Africa has lagged behind in technological advances in agriculture.

A host of other explanations have also been offered for the slow growth in agriculture production in Africa. These include political instability and conflict; limited financial systems, poor access to credit and high rates of interest and bank charges (32% in Nigeria); and gender bias against women, who form the bulk of the agricultural labour force. Addressing each of these issues would result in an improvement in agriculture in Africa.

As a final point, the Committee received evidence that African countries are becoming the target of efforts on the part of outside interests to promote greater agricultural productivity through the introduction of modern biotechnologies such as genetically modified crops. We were told that certain requirements — for example, an adequate amount of water and access to farm credit — were not in place to integrate these new technologies, that the cost of production

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

associated with this technology would rise, and that the existing biological diversity would be threatened. The Committee heard that support of local technologies and resources would be a preferred option to the import of external technologies.³²

7. Improve its Ability to Trade

The Committee heard that trade is an important lever of development and poverty reduction, and that a number of African leaders prefer trade to aid as a means to boost the continent's recovery. Indeed, we were told that the benefits of trade expansion typically swamp those flowing from increased official development assistance (ODA). Africa needs to increase its share of international trade so that it can generate the financial resources that it needs to finance development.

The problem is that Africa's share of global trade has dropped from 5% in 1980 to roughly 2% presently. Most African countries export only a very small number of primary products and the products that they export are typically sensitive to fluctuations in world prices.³³ Also, it is very difficult for African exporters to compete with producers in developed countries.

To really consider Africa's ability to trade, one also has to consider trade within Africa itself and trade between Africa and other developing and emerging countries. The Committee was informed that this "south-south" trade is more important than "north-south" trade (trade between Africa and developed countries) and displays more future potential. As well, more barriers exist on the former type of trade than do on north-south trade.³⁴

To stimulate intra-African trade, the countries themselves will have to curb protectionism within their own borders. While tariffs within Africa have declined by about one-half since 1990, they are still high by international standards and the reductions that have taken place have often been accompanied by the erection of non-tariff barriers. Economic

³² It also bears mentioning that the European Union, a key market for Africa, does not accept genetically modified organism (GMO) production for domestic consumption.

³³ Africa has historically had difficulty processing its primary products.

³⁴ *Evidence*, Ralph Goodale, Minister of Finance, 12 April 2005, 38th Parliament.

activity often stops at the borders between African countries. The WTO Doha Round, along with other trade liberalization initiatives, must ensure that trade flows within Africa are substantially improved.

Freeing up trade flows will not be enough, however: Africa needs to be in a better position to take advantage of new trading opportunities. Currently, there are several countries in Africa that would be completely unable to engage with the world economy if all barriers to trade were eliminated due to problematic economic conditions within their own borders. Profiting from new trade opportunities will only be accomplished through improvements in such “supply-side” factors as infrastructure (e.g., roads, more efficient ports, better energy connections), the introduction of a sound business climate and improvements in governance, as well as improved customs procedures, and skills development. According to the Commission for Africa report, the fact that African trade has lagged behind the world has more to do with these factors than with the existence of trade barriers.

In particular, the lack of transportation, communications, energy, water, and infrastructure on the African continent as well as the absence of indigenous enterprises ready to take advantage of new market access opportunities, are all significant inhibitors to trade. The Committee heard that there are problems with major overland links in Sub-Saharan Africa. For example, traditionally there was an effective rail link between Dakar and Bamako, but this link has been allowed to deteriorate. No proper highway has been built to facilitate travel between these two cities. In the case of East Africa, the major artery is the road between Nairobi and the important port city of Mombasa, which serves the interior of much of East Africa including the Eastern Congo. This road is in terrible condition.

The Committee experienced first hand another key barrier to improving trade. We travelled from Bamako by bus to visit a cotton farm about a hundred kilometres outside of the capital, on the main road to Burkina Faso. The bus was forced to stop at a police checkpoint. We asked ourselves why there had to be a random roadblock on the highway, at which all traffic had to stop. This roadblock is the very embodiment of a barrier to trade. It seemed completely unnecessary.

8. Enhance Regional Integration

Last week we visited a regional exhibition of furniture producers from the West African region. There we meet a Ghanaian producer who faced the hurdle of it taking more than seven days to ship her products from Accra to Bamako, a distance of 1,000 kilometres. The journey was prolonged because of numerous formal and ad hoc check points, where documents were taken and often not returned until the next day and only after a bribe was paid. Moreover, at the border the producer had to pay a 40% duty among other taxes on these locally produced goods, despite the fact that Ghana and Mali are members of a free trade zone as of 1 January 2005.

*Mr. Brian Mitchell, Director,
Africa, Trade Facilitation Office³⁵*

Our biggest commercial ties are with European countries, not with African countries, even if they are our direct neighbours.

Minister of Finance, Senegal³⁶

Trade within Africa accounts for a mere 11% of Africa's total trade. This figure is staggering considering that it is far below the 77-80% of intra-continental trade in Europe and Asia. Unfortunately, since most African countries produce similar goods, intra-Africa trade will not approach European and Asian levels anytime soon. Most African countries continue to have greater trading relationships with the rest of the world than with their own neighbours.

Despite these challenges, the Committee was told that efforts to achieve regional economic integration must be advanced. With a few notable exceptions, both the domestic markets and the range of products available for trade in most African countries are small; the establishment of larger regional markets would act as a catalyst in driving Africa's economic growth.

It is also worth noting that a full fifteen of sub-Saharan Africa's countries are landlocked and require access to the coast to sell their goods abroad. These landlocked countries tend to be poor. As Professor Collier told the Committee, historically landlocked states in other parts of the world (i.e., Switzerland) have advanced economically by piggybacking on the economic success of their more fortunate neighbours, which can only happen with regional

³⁵ *Evidence*, 13 April 2005, 38th Parliament.

³⁶ Meeting, Dakar, Senegal, 6 October 2006.

linkages and spillover. Regional integration would make it easier to build the infrastructure networks that the continent as a whole so badly needs. In many cases, lack of political will and regional rivalries have prevented this integration from becoming a reality.

The head of the African Union and former President of Mali, Alpha Oumar Konaré, gave the Committee a passionate long-term vision of what an integrated African market could look like.³⁷ The AU's 25-year objective is to construct a United States of Africa complete with harmonization and an economic and monetary union. There is a paramount need to expand and connect roads and other infrastructure to link the various regions of the continent together. That way, African states could trade more with each other than with Europe, which is what is occurring now. At this point in time, however, certain AU states are resisting efforts at continental integration.

The Prime Minister of Ethiopia informed Committee members that while an integrated African market would be helpful in increasing trade, the greatest impact would actually be in attracting foreign direct investment.³⁸ Larger, integrated markets attract investors more easily than smaller ones. Indeed, as Professor Paul Collier told the Committee, the main reason that Asia has a decisive economic advantage over Africa is not the prevalence of low-cost labour, in which both continents have an equal advantage, but the development of agglomerated economies in Asia. This agglomeration has resulted in the expansion of regional economic hubs in Asia that have been conducive to an explosion in manufacturing and highly attractive in terms of investment. The dearth of economic regionalization and linkages in Africa has prevented a similar development, thus shutting the continent out of much global investment and trade.

In Nigeria, the head of ECOWAS informed us that integration of Western African countries, encompassing an eventual common external tariff and a customs union, would help to boost the level of participation of the region in global trade.³⁹ Regrettably, the weakness of the regional infrastructure and the scope and quantity of non-tariff barriers is holding back progress in this area. In fact, ECOWAS has been more successful as a security organization than an

³⁷ Meeting, Addis Ababa, Ethiopia, 10 October 2005.

³⁸ Meeting, Addis Ababa, Ethiopia, 12 October 2005.

³⁹ Meeting, Abuja, Nigeria, 17 October 2005.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

economic organization. In any event, Nigeria's leadership and stability is key to ensuring a bright future for regional integration.

The Committee is of the view that African governments should take steps to improve regional integration within the continent. The development of an integrated, internal African market would be of great benefit in stimulating both investment and trade.

9. Take the Fight Against HIV/AIDS and Malaria Seriously

Across Africa, HIV/AIDS is systematically eroding vital human resources in all sectors and at all levels. In the absence of comprehensive treatment and care programs, governments can expect to see a declining tax base, savings and productivity, while at the same time demands for services like welfare and health will increase.

*Mr. K.Y. Amoako, Executive Secretary,
United Nations Economic Commission for Africa,
and United Nations under- Secretary-General⁴⁰*

The impact of HIV/AIDS on the people of Africa is of a scale that neither African governments nor the international community have yet to come to terms with. While only one in seven of the world's peoples live in Africa, Africans account for two-thirds of all the people living and dying with AIDS.

*Mr. Robert Fowler, Personal Representative
of the Prime Minister for Africa⁴¹*

Without a healthy citizenry, economies cannot flourish and development cannot occur. Unfortunately, certain countries in Africa are plagued by deteriorating health conditions such as HIV/AIDS and malaria (see Appendix III).

There is an urgent need for greater health care in most countries in Sub-Saharan Africa. African governments need to significantly increase their investments in their health delivery systems, particularly in rural areas, and in so doing, to target the poor. This will require major investments in staff, in education and training, and in the development of new medicines. Better public-sector management of these investments is required. Greater focus should also be given

⁴⁰ *Evidence*, 15 February 2005, 38th Parliament.

⁴¹ *Evidence*, 30 May 2006, 39th Parliament.

to the prevention of the diseases prevalent on the continent. Strategies to deal with intestinal and nutritional diseases must be strengthened.

HIV/AIDS, which has affected all strata of African society, is the greatest threat to development in a number of countries. Prevalence rates in most southern African countries are so high as to threaten the very stability of the countries in question. In South Africa, the Committee heard that HIV/AIDS is crippling that country's economy, with a HIV prevalence rate of close to 20%. South Africa has lost a substantial proportion of badly needed workers, including teachers, health practitioners, police and defence forces, and general skilled workers. In Kenya, Colin Bruce (World Bank, Nairobi) informed the Committee that without any additional increases in skills and education, it would take thirty years to recover the loss in that country's human capital caused by HIV/AIDS.⁴²

All told, an estimated 26 million people in sub-Saharan Africa are afflicted by HIV/AIDS, on top of the 17 million that have already died and the roughly 12 million orphans that have been generated by this crisis. Although this represents only about 4% of the total population, these numbers are concentrated in a few, largely southern countries. Seven out of every ten people infected in the world live in Africa, and women and girls are the hardest hit by the virus.⁴³ Moreover, AIDS deaths are growing faster than those from malaria. In 2005, AIDS killed 2.4 million people in Africa, or 6,600 each day.

In Africa, the Committee heard that African Governments should not wait for the international community to tackle the HIV/AIDS problem. Instead, they must take ownership of the problem, acknowledge its depth and crippling effects, and work together to create a united front to deal with the disease.

HIV/AIDS should be viewed as a major threat to economic and social development. Without comprehensive treatment and care programs, governments will witness declines in their

⁴² Meeting, Nairobi, Kenya, 13 October 2006 - With increases in skills and education, it would still take 15 years to recover the human capital lost as a result of the disease.

⁴³ Two-thirds of new infections are in the 15-24 age female group.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

tax base, savings, and productivity as well as increases in the demand for welfare and health services.

Of great importance, focus should also be placed on disease prevention, given that HIV/AIDS currently has no cure. The Committee was informed that until recently, there had been little effort devoted to prevention by African leaders and governments and that only five African countries (Botswana, Ghana, Mali, Senegal, and Uganda) had made serious efforts to confront the AIDS epidemic. In fact, certain countries have been in a state of denial over the problem, and their unwillingness to address the disease has exacerbated the epidemic. These countries need to take the crisis within their own borders more seriously.

Educating the public in how to avoid contracting the virus is crucial. The countries that have been able to mitigate nascent AIDS epidemics have accomplished this by changing behaviour. We were told that African governments, traditional leaders and the churches need to be involved in this campaign.

Turning to the malaria problem, the fact that the Committee did not receive much evidence on that issue in no way suggests that it is unimportant. Africa's high year-round temperatures, its precipitation leading to the breeding of mosquitoes, and the existence of human-biting mosquitoes has made that continent the world's epicentre of malaria.

Malaria can be treated with quinine, a substance that has been known for almost 150 years. Therefore, it is beyond belief that efforts to combat the disease continue to be sub-optimal. Malaria accounts for the deaths of over one million Africans each year, with the victims mostly under the age of five. These deaths are preventable through the use of \$7 long-lasting, insect-treated bed nets and, according to testimony received, the spraying of the DDT insecticide in small amounts on the inner walls of people's homes. Malaria is also treatable by medicine for those having contracted the disease. Consequently, Robert Fowler, then personal representative of the Prime Minister for Africa, told the Committee: "The fact that malaria continues to take such a dreadful toll on the children of Africa is simply shameful."⁴⁴ The provision of the bed

⁴⁴ *Evidence*, 30 May 2006, 39th Parliament.

nets should be made a priority, and commercial partners who could produce them should be found.

10. Invest in all Levels of Education

With respect to education, the current focus on access must be balanced with an attention to quality, both to sustain gains in access we have made, as well as to ensure graduates are of the calibre necessary to address Africa's challenges.

*Mr. Khalil Shariff, Chief Executive Officer,
Aga Khan Foundation Canada⁴⁵*

There can be no development without education. Children must have literacy and numeric skills to function in the jobs that they will eventually assume. The situation is especially acute for African girls, who tend to drop out of school more quickly than boys. In all cases, access to schools and health care must be made available to the poorest people in Africa.

Progress in education, which is primarily a domestic responsibility, tends to be a function of the amount of funding being applied. When African governments were under pressure to balance budgets beginning in the 1980s, they cut big-ticket expenditures such as those on education. The result: participation in education declined.

However, the Committee received evidence that a number of countries are making progress. In Tanzania, the government has now eliminated student fees and enrolment has increased from 68% to 88%; in Mozambique, completion of school to grade five went up from 22% in 1991 to 40% in 2003; also, Kenya, Malawi, Uganda, and Lesotho are now devoting more attention to education and making impressive gains.

Thus, whenever it becomes more affordable for families in Africa to send their children to school, enrolment shoots up. A strengthening of African economies, together with improved governance and less civil strife, can also be of great help in developing a sound educational system.

⁴⁵ *Evidence*, 20 June 2006, 39th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

On the negative side, not all countries have seen fit to ease the cost of schooling and, of those that have, not all have pledged to cover the additional costs of such items as uniforms and books. User fees still exist in at least 35 sub-Saharan African countries. This helps, at least in part, to explain why only 59% of children in that region are completing primary school.

The Committee also received evidence that there are currently significant imbalances in African educational planning. Much investment is being made in primary education, yet primary education alone is insufficient for sustainable human and national development. Given the need to develop human capacity in a host of critical professions, what does the future hold for students where higher education is being neglected?

The other point that bears noting is that the emphasis in education must also shift, from the current focus on access to the quality of the education itself. The infrastructure of education, including the quality and availability of classrooms, schools, teachers, and supplies is just as important as the rate of enrolment.

11. Make Strides Towards Gender Equality

Gender equality is a serious challenge, but it also represents a serious opportunity. The empowerment of women, with their strong economic role, and the need to ensure that young girls and women have access to training and education opportunities, will lend strategic leverage to economic growth.

*Mr. Paul Hunt, Vice-President, Africa and Middle East Branch,
CIDA*⁴⁶

Women play a key economic role in Africa, especially in rural communities. Not only do they take care of households, they represent the majority of small-scale farmers and they usually tend to be the ones responsible for food security in African families. Their repayment rates on micro-financing are high, and the wealth generated by the commercial activities of women tends to stay in the family. With women also playing an active trading role on the continent, it should come as no surprise to discover that they conduct a significant part of economic activity in Africa.

⁴⁶ Evidence, 8 February 2005, 38th Parliament.

In undertaking this important role, however, women face incredible challenges. They still face gender discrimination in many typically patriarchal African societies, they typically need their husband's backing when making economic decisions, they have less access to financial services, they are at greater risk of contracting HIV/AIDS⁴⁷ and require more education to become informed about how to prevent the deadly disease. This must change.

For broad-based national development to occur, young girls and women need increased access to training, credit and savings, and educational opportunities. Witnesses told us that there is a strong link between greater gender equality and economic development. The role of women in Africa must be enhanced.

⁴⁷ The Committee heard that women in Africa generally do not have the power to compel their male partner to use a condom during sex. Unfortunately, for physiological reasons they are more prone than men to be infected through unprotected sex. It is also the case that poverty forces certain women to become sex workers, thereby increasing the risk of contracting HIV/AIDS.

12. Practice Good Governance to Prevent Conflict

In short, there must be a bargain in being a citizen of an African country. Today, it is not obvious what that bargain is. It will be necessary for such a bargain to be established in the form of a new social contract between state and society if Africa is to know long-term peace and stability.

*Mr. Adebayo Olukoshi, Executive Director, Council for the
Development of Social Science Research in Africa⁴⁸*

Peace is more than the absence of war.

Ms. Jane Boulden⁴⁹

Economic decline is the single greatest driver of conflict.

Professor Paul Collier⁵⁰

Without peace, economic development cannot occur. War destroys agricultural production and infrastructure, results in human and capital flight, and causes losses in annual economic growth. It diverts precious national resources for military purposes from health care systems and schools. Conflict adversely affects progress in all aspects of the development process. Therefore, the reduction and management of conflict will be a key factor in enabling Africa to attract higher levels of investment and ensure economic growth.

Between 1989 and 2002, two-thirds of African countries experienced a serious armed conflict. Since the 1990s, some 6 million Africans have been killed, over 15 million others have been internally displaced, and there have been an additional 4.5 million refugees.

Between 1996 and 2002 the Congo imploded in a series of internal wars, rebellions, and armed incursions by neighbouring states. It acted as a massive destabilizing influence in Central Africa, as it shares borders with nine countries. While the Congolese people suffered from the end of the Mobutu regime, which had lasted for 32 years and involved the government's total neglect of the rural and Eastern regions of the Congo, and the Kabila rebellion, they were equally brutalized by the plundering and violence committed in their territory by their neighbours —

⁴⁸ *Evidence*, 19 April 2005, 38th Parliament.

⁴⁹ *Evidence*, 20 April 2005, 38th Parliament.

⁵⁰ Meeting, London, United Kingdom, 19 October 2006.

Rwanda, Uganda, Burundi, Angola, and Zimbabwe, among others. Indeed, the Congo's vast mineral resources were carved up and exploited by Congolese elites and armed forces, foreign companies, and neighbouring African countries alike. Meanwhile the Congo's territory became a proxy territory to play out the civil conflicts of Rwanda (i.e., the conflict between the Rwandan Patriotic Front and the *genocidaires* and *Interahamwe* who had fled into Eastern Congo), Uganda, and Burundi, at the expense of the Congolese living in the eastern provinces, the area most ravaged by these wars. The disintegration and plunder of the Congo was a result of regional power plays, the intention of certain leaders to "deal" with various rebel groups accused of operating from and within the Congo's territory, and the desire of many actors to secure lucrative concessions and illegal exploitation of the Congo's natural resources during this chaos.

Indeed, the United Nations convened an expert panel to investigate this very issue. It concluded that individuals and governments from the Congo, Rwanda, Uganda, and Zimbabwe, among others, had participated in stripping the Congo of its resources, including coltan (a key ingredient in cell phones), diamonds, copper and gold, for their own gain. These illegal resources transited through eleven countries in Africa, with almost no prosecution or action taken on behalf of those governments to halt this business of war.⁵¹ The levels of violence, atrocities, and deprivation inflicted on the Congolese people during this conflict are staggering. It is estimated that at least 3 million people died as a result of these wars.⁵²

As has been illustrated dramatically by the case of the Congo, conflict results in regional destabilization, regardless of whether neighbouring countries are stable and at peace. The Committee was informed that simply sharing a border with a country experiencing conflict reduces GDP by 1.6%. When those bordering countries are considered, we heard that there were only a handful of countries on the entire continent not adversely affected by conflict.

⁵¹ For example, the *Final Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo* found that Rwandan Patriotic Army operations in eastern Congo were managed by a "Congo Desk." The report concluded: "While revenues and expenditure in the [RPA's] Congo Desk are considerable, they are kept strictly separate from Rwanda's national budget. A reliable source associated with the Congo Desk has calculated that income to the Desk provided 80% of all RPA expenditure in 1999. [...] The Congo Desk's contribution to Rwanda's military expenses would therefore have been in the order of \$320 million," p. 15. UN Security Council, S/2002/1146, 16 October 2002.

⁵² Martin Meredith, pp. 540-543.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

The security situation in Africa has improved in recent years, with both the incidence and severity of the average conflict declining. Ongoing conflicts in Sierra Leone, Liberia, and Angola have concluded. The Government of Sudan and the Southern People's Liberation Army (SPLA) signed the Comprehensive Peace Agreement in January 2005, bringing an end to the grinding north-south conflict that began in 1983. Also, the thirteen year civil conflict in Burundi appears to have reached a conclusion with the deal between the National Liberation Forces (FNL) and the national government in September 2006. Nevertheless, there are ongoing problems in Darfur (Sudan), Cote d'Ivoire, Ethiopia-Eritrea, and the Horn of Africa, and regional tensions stemming from the control and distribution of natural resources, which will require consistent monitoring and international leadership.

Armed conflicts are a costly enterprise, whether considering the loss of human life associated with warfare, or the magnitude of military, financial, and logistical resources required to implement external peace enforcement operations. The Committee heard that the African Union (AU) Mission in Darfur, a relatively small operation in military terms, costs approximately US\$250 million per year. At AU headquarters in Addis Ababa, the organization's outstanding Peace and Security Department representatives informed the Committee that its Darfur mission was the AU's most ambitious initiative to date and that its success would demonstrate Africa's ability to address conflict situations. We heard that while the mission was not lacking in the way of troops, there was a real shortfall in logistical support and financing.⁵³

Fortunately, conflicts can be prevented. The Committee heard that the prevalence of conflict is closely linked to countries' economic and political governance and their performances in raising the standard of living of their citizens. As Dr. Cheryl Hendricks, Head of the Southern African Human Security Programme at the *Institute for Security Studies*, told the Committee in Pretoria, South Africa, political failure, social exclusion, and the existence of weak states, together with high rates of military spending often undertaken at the expense of health and education, have frequently been the source of the problem.⁵⁴

⁵³ Meeting, Addis Ababa, Ethiopia, 11 October 2005.

⁵⁴ Meeting, Pretoria, South Africa, 11 October 2006.

There is thus a connection between state capacity, levels of equitable economic development, and the risk of war and terrorist activity. A prosperous and well governed nation is often a peaceful one. The relationship between economic development, governance, and insecurity has been evident in Nigeria. Despite accruing hundreds of billions of dollars in oil wealth since the 1970s, the majority of Nigeria's 129 million citizens (approximately 18% of the population of Sub-Saharan Africa) remain poor and its government has faced difficulties in providing consistent public services and tackling corruption. It continues to be hampered by inter-communal violence and political grievances, and thus, continues to be a potential crisis point in West Africa. Nigeria has undertaken measures to improve its governance record, and therefore, requires the continuing support of the international community.

The Committee consistently heard from witnesses about the importance of good governance, a principle that is enshrined in NEPAD. The Committee believes that African states and the international community should strengthen the principles of NEPAD, and to concentrate development programs on improvements in political and economic governance as a means to prevent conflict and ensure stability.

13. Strengthen its Peace and Security Architecture

Without solving security, it doesn't make much sense to fund development. Security and stability are necessary conditions for development.

*Mr. Steen Nordstrom, Research Unit on Defence and Security,
Danish Institute for International Studies⁵⁵*

This is the principal challenge faced by African peacekeeping forces. While Western nations are focused on areas they believe to be of greater import to their individual national interest, much of the "heavy lifting" in Africa falls to Africa's peacekeepers.

*Colonel Denis Thompson, Director,
Peacekeeping Policy, National Defence⁵⁶*

One of the greatest regional achievements in Africa to date is the establishment of new structures for peace and security on the continent. The Committee was very impressed by the

⁵⁵ Meeting, Copenhagen, Denmark, 17 October 2006.

⁵⁶ *Evidence*, 8 February 2005, 38th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

quality of the staff at the African Union and wish that organization well. We strongly believe that these regional security organizations will be critical in the future prevention and resolution of security crises on the continent, and must therefore, be provided with secure and adequate financing.

African governments, often under the regional leadership of South Africa and Nigeria, have assumed increasing responsibility for managing security crises in Africa. While in Cape Town, the Committee learned of the critical role that South Africa is playing both diplomatically and through the provision of security forces in resolving the conflicts in Cote d'Ivoire, Sudan, Burundi, and the Democratic Republic of the Congo (DRC).

Africa's commitment to continental security was underlined by the creation of the Peace and Security Council of the African Union (AU) in 2002. This council is tasked with collective security — the resolution, management, and prevention of conflicts in Africa.

Replacing the former Organization of African Unity, the AU's Constitutive Act clearly establishes greater regional authority for the management and resolution of conflicts, and removes the previous organization's preoccupation with the sanctity of state sovereignty. The Committee was told in Nigeria that the AU's Peace and Security Council has transformed the way Africa handles conflict.⁵⁷

In aiming to strengthen its capacity to manage conflict, the AU has set the goal of having a permanent peacekeeping force in place by 2010. We were told that this African Standby (i.e., "rapid-reaction") Force (ASF) would be a mechanism to address low intensity conflicts in which the UN may not be involved, in cases where it was necessary for the AU to play a lead political role in conjunction with the UN, and where it could deploy rapidly in case of grave circumstances such as genocide. The ASF was to be composed of five regional brigades geographically representative of

⁵⁷ *Evidence*, Addis Ababa, Ethiopia, 11 October 2005. The AU has deployed peacekeeping forces in Burundi and the Darfur region of Sudan. The AU Mission in Burundi (AMIB) was deployed in 2003 following the signing of the Arusha Agreement in 2002. AMIB's mandate was to monitor the cease-fire, supporting disarmament, demobilization, and reintegration initiatives, and assisting with overall stabilization. This mission, which was led by South Africa, was handed over to a larger United Nations mission in 2004. In 2004, the AU deployed a mission to monitor the ceasefire in Darfur, which was eventually expanded to a larger protection force of 7,000 personnel as of 2006.

the continent (North, West, Central, East and South) and that while it would place its emphasis on peacekeeping, it would also be active in providing humanitarian assistance and in responding to natural disasters.

During the same meeting with the AU's Peace and Security Department officials, the Committee also received excellent information on the organization's engagement in a number of African conflicts. At the time, ongoing peace support missions with military deployment involved AU Liaison Offices in Côte d'Ivoire, Liberia, Ethiopia-Eritrea and the Democratic Republic of Congo as well as missions in Burundi and Darfur.

While the AU is a critical piece of Africa's nascent continental peace and security architecture, regional and sub-regional bodies have also been active in conflict resolution. In Nigeria, the head of the Economic Community of West African States (ECOWAS) informed the Committee that in its initial stages his organization held international commerce as its objective, but that ECOWAS has evolved and has become increasingly active in the domain of peace and security, spearheaded by Nigerian leadership and the Nigerian armed forces.⁵⁸

⁵⁸ ECOWAS first intervened in Liberia in 1990 under Nigerian leadership, remaining until 1999. ECOWAS returned to Liberia in late 2002 following its descent back into civil war in 2000, forming the groundwork for the deployment of a UN peacekeeping force in 2003. From 1997-1999 ECOWAS forces intervened in Sierra Leone to quell the violence stemming from the insurgency of the Revolutionary United Front, a rebel group supported by Liberian president Charles Taylor. ECOWAS forces were absorbed into the UN mission in Sierra Leone. However, renewed violence required a robust intervention by the United Kingdom in 2002, and an augmentation of UN forces, which together facilitated a cease-fire and stabilization of the country. ECOWAS intervened in Cote d'Ivoire in 2002 in support of the French armed forces, leading to a takeover by a UN peacekeeping operation in 2003.

CHAPTER 3: WHAT THE INTERNATIONAL COMMUNITY NEEDS TO DO

If you could fix the international terms of trade, aid would be largely irrelevant.

*Mr. Simon Bland, Head of United Kingdom Department
for International Development, Kenya*⁵⁹

The new African rulers assumed power fired with ambition, but hobbled by governments and ideologies largely inadequate for the challenges they faced. As these shortcomings became increasingly obvious from the 1960s, ongoing external disruptions undermined attempts to work out better solutions: meddling by American and Soviet Cold War strategists, the oil crisis, mounting debt, structural adjustment, agricultural collapse. The 1980s were perhaps the depth of this decline.

*Mr. Philip Zachernuk, Professor,
Department of History, Dalhousie University,
and President, Canadian Association of African Studies*⁶⁰

The international community must adopt policies that will help African economic development. Trade and investment should be emphasized over long-term development aid, which has not created viable economies in Africa despite decades of effort. Long-term development aid should be specifically targeted, embedded with sunset clauses, and not delivered and increased in the style of a blank cheque. Overall, a “big push” of aid is not the answer to Africa’s problems.

The aid that is provided should be targeted towards a very small number (ideally, less than ten) of African countries that are making a real effort to improve governance and achieve economic growth. The world should continue to respond vigorously (with humanitarian assistance) to health and natural disaster emergencies, and deal effectively with security crises.

⁵⁹ Meeting, Nairobi, Kenya, 13 October 2006

⁶⁰ *Evidence*, 1 February 2005, 38th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

1. Finish Doha

These subsidies are killing us, are completely destabilizing us.

*His Excellency Mr. Amadou Tounami Touré,
President of the Republic of Mali⁶¹*

The experts and the scholars tell us that, by creating a level playing field of trade opportunities, even with primary sector products, Africa would benefit in an important way from access to developed markets. If it had the ability and the investment follow-through to create a secondary and tertiary capacity in terms of transformation of those primary products, if it had equitable access to developed markets, it would have a penetration rate that would replace, double or quadruple the level of official development assistance that it receives by revenues as a result of economic activity.

*Mr. Paul Hunt, Vice-President, Africa and Middle East Branch,
CIDA⁶²*

For African countries, the notion of a level playing field is a cruel joke. Rich countries are not only on a different level, they are kicking away the ladder that got them there. Equal rules for unequal partners make for unequal rules.

*Ms. Molly Kane, Co-Chair, Africa-Canada Forum,
Canadian Council for International Co-operation⁶³*

Sierra Leone once exported rice, the staple of its diet. Today, however, in a country with disastrous levels of unemployment, it imports most of its rice. The reason is huge U.S. government subsidies to American rice farmers. If this were to change, it could create 5 million person-days of work per year in Sierra Leone.

*Mr. Ian Smillie, Research Coordinator,
Partnership Africa Canada⁶⁴*

It is totally unjustified for rich countries to protect their rich farmers, sometimes by paying them for not producing beets on certain surfaces, when you could get the product more cheaply, in terms of world prices, from people who can only produce that. [...] The developed countries

⁶¹ *Evidence*, 11 May 2005, 38th Parliament.

⁶² *Evidence*, 8 February 2005, 38th Parliament.

⁶³ *Evidence*, 22 March 2005, 38th Parliament.

⁶⁴ *Evidence*, 10 May 2005, 38th Parliament.

have to swallow their short-term political requirements in order to make the world a place where the poorest countries can produce, and can sell what they produce at a lower cost than the developed countries.

*Mr. Marcel Massé,
Executive Director, World Bank⁶⁵*

At the time when Africa was producing the best cotton at the lowest prices in the world, American and European subsidies knocked back West African cotton production. Tens of millions of small farmers fell back under the poverty line. It is not because they did not know how to produce. No. It is because somewhere, the major powers subsidized their production and made us open up our markets, with those results. If these trends continue, it is certain that Africa will not achieve the millennium goals, goals that international cooperation has mobilized around.

*Mr. Ndiogou Fall, President,
Network of West African Producers
and Peasants Organizations (ROPPA), Senegal⁶⁶*

When we launched the Doha development round back in 2001, the idea was to bring developing countries into the international trading system, to pay more attention to their needs and, through trade, to try to advance the interests of development. We could certainly argue whether that has been a success to date. We have a long ways to go.

*Mr. Steve Verheul, Chief Agriculture Negotiator,
Agriculture and Agri-Food Canada⁶⁷*

There is an urgent need to finish the World Trade Organization's (WTO) Doha Round of trade negotiations. As many have argued, the biggest contribution that rich countries could make to international development is to develop a better international trade system so that their markets will be more open to poor African countries' goods. Indeed, the financial benefits that African countries would receive through improved access to world trade would far outstrip any benefits received through aid.

Africa faces many trade obstacles which prevent its goods from entering world markets. These trade barriers, as well as the practice of developed countries to give subsidies to their producers that allows them to sell goods at less than commercial prices, must be curtailed. The

⁶⁵ Evidence, 11 May 2005, 38th Parliament.

⁶⁶ Evidence, 17 May 2005, 38th Parliament.

⁶⁷ Evidence, 8 June 2005, 38th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

cotton scandal, which we describe below, is a perfect example. Subsidies provide an unfair advantage to rich-country producers and distort world markets and prices. Indeed, the Committee heard from Alpha Oumar Konaré, the head of the African Union and former President of Mali, that if Africa could sell its primary products in world markets that are not being serviced by competing producers benefiting from “stupid” subsidies, it would not require foreign aid.⁶⁸ There is also a need for African countries to secure improved access to other developing countries, especially the emerging economies of the world such as China, India and Brazil.

Developed countries should take steps to eliminate tariffs on imports of manufactured products, bring tariff peaks down, dispense with tariff escalation that is currently blocking the access of processed primary products to rich-country markets, make progress on the reduction of non-tariff barriers, and engage in services trade liberalization.

In order for the WTO Doha Round of trade negotiations to be ultimately successful, however, real progress in the reform of agricultural trade is required. Global trade rules in agriculture need to be redrawn to the benefit of the vast majority of the African population that is dependent on agriculture. The farm policies of developed countries have devastated producers of agricultural goods. These self-centred and destructive policies have driven down global agricultural prices that, in turn, have cost developing countries hundreds of millions of dollars in lost export earnings.

Cotton, a commodity of great importance to Western Africa, is an excellent example of how domestic support given by rich-country governments can be devastating to developing economies. U.S. support for domestic cotton farmers amounts to roughly US\$4 billion. This level of assistance ensures that rich-country cotton farmers — 25,000 in the United States alone — receive inflated prices for their harvest while world prices fall, seriously harming the ten million West Africans who depend on cotton production for their livelihoods and their health and education. “American cotton subsidies are destroying livelihoods in Africa and other developing regions While America’s cotton barons get rich on government transfers, African farmers

⁶⁸ Meeting, Addis Ababa, Ethiopia, 10 October 2005.

suffer the consequences. ... America's cotton farmers receive three times more in subsidies than the entire USAID budget for Africa's 500 million people."⁶⁹

As a result of these distortions, African producers cannot compete in global markets. This is despite the fact that the West African cotton-growing region contains the lowest-cost producers of cotton in the world. Regrettably, the Committee heard in Mali that there was little will on the part of certain developed countries to make a trade deal on cotton. Standing in a cotton field in that country, Malian farmers passionately described the U.S. actions as "sabotage" in that they were causing an increase in poverty instead of the desired poverty reduction that the U.S. government has been publicly calling for.

Trade-distorting farm subsidies and market-access restrictions (i.e., tariffs and non-tariff barriers) that impoverish African farmers must be reduced in the very near future so that a more level playing field in global trade can be achieved. As a result, developing countries would gain better access to rich-country markets and Africa's poorest countries could develop this vital segment of their economies.

In undertaking reforms to the world trade system, "special and differential" (S&D) treatment must be considered for poor African countries to enable them to cope with new trade liberalization commitments. African countries should be permitted to temporarily support their farm sectors in the adjustment to a new agricultural trade environment.⁷⁰ In the United Kingdom, the Committee heard from Professor Collier that without protection of African economies in the international market and preferred market access for African countries, it will take decades for them to catch up to the rest of the world. Measures for this protection and improved access must include flexible rules of origin and a long time frame, and they must apply to countries beyond those that are the "least developed."

⁶⁹ "Cultivating Poverty: The Impact of U.S. Cotton Subsidies," Oxfam Briefing Paper #30, Oxfam International, 2002, pp. 1-2.

⁷⁰ This situation reminds Committee members of the evidence that they received during their study on Mexico. In the case of Mexico, the reason that so many Mexican farmers are migrating north to the United States can be directly attributable to their inability to compete with highly-subsidized imports of farm products from the United States.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

Unfortunately, however, the WTO Doha Round of multilateral trade negotiations was suspended in July 2006 in the wake of insufficient progress by the leading economies of the world to deal with their subsidies and tariffs. Moreover, Canada has lost credibility at the WTO through its unwillingness to negotiate changes in its trade policy regarding supply-managed farm products. Almost all developed countries, including the United States, Japan and those of the European Union, have protectionist elements in their trade policies that are driven by domestic interests. Even South Korean rice farmers were protesting at the December 2005 WTO meetings in Hong Kong.

The Committee is of the view that the Government of Canada should attempt to restore its credibility at the WTO and aggressively encourage other leading trading nations to resume formally the currently stalled WTO negotiations. In so doing Canada should continue to push for WTO rules that would, at least in the short term, enable African governments to free up their own markets to imports at a slower pace than other countries. Farm production in Africa occupies the bulk of the population and deserves some protection against highly subsidized imports.

The extraordinary truth is that forty years ago Africa was self-sufficient in food. The Committee received testimony that Sub-Saharan Africa spends as much money on food imports as it receives in total aid. One must severely question a policy that results in rich countries in fact subsidizing their own exports to tropical Africa.

It might seem that the provision of low-cost, subsidized food is a blessing. In reality, the opposite is true. The extensive reliance in Africa on small-scale farming has meant that a reduction in the price of food leads to more poverty and urbanization: it is almost impossible for small-scale farmers in developing countries to compete in their own domestic markets with farm production that has been subsidized by the governments of rich countries. When subsidized food enters poor nations, it drives local farmers out of business, devastates agricultural investment and leaves these countries dependent on shipments of food from the developed world. As a result, the rural population migrates to the cities, in which it faces all the associated problems (e.g., crime, disease, pollution) that urbanization brings.

Because lowering farm subsidies will increase food prices, additional temporary financial assistance to help food-importing African countries cope with this price adjustment, as well as to help undertake the critical measures required to take maximum advantage of new opportunities, may be necessary. Over time, however, adjustments to the new trade environment will be made and African farmers could stand to benefit significantly from the higher rural incomes that freer trade can bring about. Food-importing countries could once again become food-exporting countries.

RECOMMENDATION

To help improve the ability of Sub-Saharan Africa to conduct international trade, the Government of Canada should:

- **Take a leadership role in encouraging other leading trading nations to revive the Doha Development Round of WTO trade negotiations. Canada should strive for as ambitious a result in the agricultural negotiations as possible, with this result to include the elimination of export subsidies more quickly than the current plan to do away with them by 2013, the reduction of trade-distorting domestic support and, most importantly, significant market access improvements for agricultural products from Africa;**
 - **Push hard for emerging (e.g., China, India, Brazil) countries to provide duty- and quota-free access to all low-income countries in Africa and strive to substantially reduce other forms of trade protectionism negatively affecting these countries; and**
 - **Insist that African countries themselves free up their own markets to trade. They should be able to do so at a more moderate pace to reflect their own competitive disadvantages and development needs.**
- 2. Make the Structural Adjustment Policies of the IMF and World Bank More Flexible and Less Onerous on Africa**

Both the IMF and the World Bank have recognized that their policies were flawed. They have put this in writing. They admit that their efforts at retrenching the states were a mistake. The macro-economic model that they imposed and the one-size-fits-all approach that ignored the nature of

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

the crisis or the nature of the degree of the decline, they admit was flawed. Many other admissions have been made connected to the errors of the last 25 years.

*Mr. Adebayo Olukoshi, Executive Director,
Council for the Development of Social Science
Research in Africa, Dakar, Senegal⁷¹*

Research in Africa In the region I come from, the situation is becoming more and more difficult. In the mid 1980s, our countries embarked on structural adjustment programs under the impetus of the IMF and the World Bank. Under those programs, our countries had to liberalize their economies. With that liberalization all support to agriculture was eliminated. Under this new framework the situation of our producers became very fragile which led to several problems in our food production, which is the basis of our agricultural production, because at the same time our economies were opened up to food imports which in turn caused farm income in many cases to go down.

*Mr. Ibrahima Coulibaly, Manager, External Affairs,
Association of Professional Producers of Mali⁷²*

The Committee recognizes that the World Bank is the world's largest provider of development assistance to Sub-Saharan Africa and that it is instrumental in providing assistance for large development projects, particularly infrastructure. However, we have also come to learn that there have been serious problems with the way the institution, along with the International Monetary Fund (IMF), has dealt with Africa.

The problem for farmers and others in African societies has been the tough conditions that international financial institutions such as the IMF and the World Bank have historically imposed on African countries facing financial difficulties. The Committee was told repeatedly during its hearings on Africa that these conditions have had adverse impacts on the region's development.⁷³

⁷¹ Evidence, 19 April 2005, 38th Parliament.

⁷² Evidence, 8 March 2005, 38th Parliament.

⁷³ The Chairperson of the African Union Commission told the Committee that these institutions almost destroyed his country (Mali).

While these organizations have noble intentions, in that they are trying to help these countries emerge from their financial difficulties, their “structural adjustment” policies have come under fire.

The standard structural policy package requested by these international financial institutions, given in exchange for the provision of additional lending support, typically called for governments to privatize, eliminate marketing boards, reduce government spending on agriculture and social services, impose user fees on government-provided services, promote exports, eliminate tariff protection on agricultural and other items, impose higher interest rates, and open up countries to foreign investment, among other measures. These actions were prescribed to help countries successfully deal with financial difficulties.

While structural adjustment was supposed to be a temporary measure, the Committee was informed that it has become a permanent feature of policymaking in Africa. We were told that in the past 25 years, both the IMF and the World Bank took control of the entire policy process in almost every African country. And while both of these institutions have admitted that their policies of retracting the size of the state were flawed, the Committee was informed that the core of structural adjustment policy remains in place.

These policy requirements have often been contentious in that they have been socially and politically costly. The Committee received testimony that apart from forcing lower expenditures on health and education, devaluing currencies, freezing wages and reducing the size of the public service in these countries, structural adjustment eliminated domestic support to agriculture and opened up African economies to subsidized food imports, causing problems for domestic agricultural producers (e.g., declines in farm incomes) and increases in poverty levels. In essence, the poor got poorer.

Moreover, marketing boards were removed as part of this structural adjustment exercise. Witnesses, including André Beaudoin, Executive Director of UPA Développement International, informed the Committee that this action resulted in a fluctuation in prices and uncertainty in farm incomes. It heard that governments should be able to play a role in aiding small-scale farmers negotiate fair prices with increasingly large and dominant foreign buyers. It

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

is an incredible contradiction that developing countries that have such a high percentage of the population in agriculture are told that they do not have a legitimate right to establish marketing boards when wealthier countries like Canada do.

The bottom line for the Committee's witnesses is that African countries should be able to exercise a certain degree of independence in establishing their own agricultural policies and marketing systems, instead of having external organizations prescribe rigid policy prescriptions that effectively serve to lower the income of farmers. We heard that international institutions should begin to listen to African people instead of prescribing short-term "one-size-fits-all" development strategies. We were told that there is a need to go to the "grassroots" level first, find out what the problem is and design responses that are tailored to local conditions as opposed to imposing conditions from afar.⁷⁴ It was also suggested that political leaders must take back responsibility for the actions of these two international financial institutions and that there is a need for an independent body to monitor and evaluate IMF and World Bank projects in a transparent manner. As the Committee was told in Pretoria, South Africa by Alan Hirsch, Chief Director of Economic Policy (the Presidency), African countries have often lacked the technocrats and skilled professionals to engage with the Bank and scrutinize the Bank's proposals for their country.⁷⁵

We agree that the IMF and World Bank should not impose inappropriate liberalization policies on African and other developing countries. Structural adjustment policies should be changed to enable African governments to support their farm sectors and to organize these sectors in a way that raises the standard of living of those dependent on agriculture. While there may have been some benefits to African consumers of lowering tariffs on food imports, it is now evident that some protection of domestic production in agriculture in Africa is important.

It is difficult to recommend policy changes for the IMF and the World Bank. When the Committee visited Washington, we had an extensive consultation with representatives of both

⁷⁴ The Committee heard that in Mali, there was no World Bank consultation with farmers in the preparation of the country's Poverty Reduction Strategy Papers and, not surprisingly, there is no reference whatsoever to farm income in these documents.

⁷⁵ Meeting, Pretoria, South Africa, 11 October 2006.

institutions. The role of the IMF is more limited in that it deals mostly with central banks, but the World Bank has an extensive role in Africa which has not always been successful.

We were told at our meeting with many department heads that they themselves have been reassessing their work in Africa. While there is no question that large development projects in Africa should be the responsibility of the World Bank, there seems to be some question when the World Bank assists in countries' structural adjustment.

RECOMMENDATION

The Government of Canada should actively encourage the International Monetary Fund and the World Bank to implement structural adjustment programs in a real partnership with countries in Africa and only once comprehensive consultations with the people directly affected have been conducted. The World Bank should ensure that these measures do not, in fact, increase poverty and it should not prescribe policies that would not be acceptable to its main shareholder countries. With respect to agriculture, African nations should be able to independently determine their own policies and how they organize their agricultural sectors.

3. Change Development Assistance Radically

The absence of international aid is certainly not the cause of poverty and aid will not be its cure. Poverty is about marginalization and disenfranchisement. It is about social decisions taken by those in power globally and within states about who counts and who does not. The cure to poverty is not aid but the emergence of those who are living in poverty as rights holders and as citizens demanding accountability from governments and reshaping their social circumstances.

*Mr. Gerry Barr, President-CEO, Canadian Council
for International Co-operation⁷⁶*

NEPAD seeks \$64 billion. Tony Blair wants to increase aid to Africa by \$50 billion. Africa's begging bowl leaks horribly. If African leaders could curb corruption, they would find all the money. I am not saying that Canada should not help, but you cannot pour water into a leaky bucket.

⁷⁶ Evidence, 10 May 2005, 38th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

The responsibility for plugging these leaks resides with African leaders and governments.

*Mr. George Ayittey, Professor, Economics,
American University, Washington, D.C.*⁷⁷

It would be a mistake for any of us to think that more money is the solution to all of these problems. The trend in the developing community has been to say that resources should be spent in situations or countries where we know they will be well spent.

*Mr. Rohinton Medhora, Vice-President, Program and Partnership
Branch, International Development Research Centre (IDRC)*⁷⁸

In fact, you are touching the heart of an essential and fundamental issue, that of the accountability of a government to its own constituents versus a government's accountability to a community or elite within a country which almost becomes accountable to the donors. Over 40 years, we gradually realized, particularly in countries that were significantly dependent on aid, and in Africa there are several of these countries, that there was this type of sea change whereby populations and governments became more and more accountable to donors and to the international community rather than to their own population. The result is that we have distracted them from their fundamental duty which is to meet the needs of their population.

*Ms. Isabelle Bérard, Acting Director, Policy,
Strategic Planning and Technical Services,
CIDA*⁷⁹

Aid does not self reproduce.

*Dr. Reuel Khoza,
NEPAD Business Foundation, Johannesburg*⁸⁰

In this period of highly-publicized studies, conferences, G8 summits and concerts dedicated to African development, pleas have gone out for sizeable increases in foreign aid. Such assistance, proponents believe, is the answer to Africa's needs. We disagree.

⁷⁷ *Evidence*, 10 May 2005, 38th Parliament.

⁷⁸ *Evidence*, 31 May, 2005, 38th Parliament.

⁷⁹ *Evidence*, 2 November 2005, 38th Parliament.

⁸⁰ Meeting, Johannesburg, South Africa, 11 October 2006.

The Committee is not alone in having this view. As Andrew Jack reported recently in the 16 November edition of the prestigious *Financial Times* newspaper, “In the post-war decades, billions of dollars spent in aid to Africa have had a minimal effect at best.”⁸¹

The problem is that foreign aid, while welcomed by governments in Africa, has not worked. Nearly US\$600 billion, many times the amounts given under the Marshall Plan, has been spent over the past 40 years. Aid has increased from 7% of African countries’ income in the 1960s and 1970s to about 17% currently, with some countries on the continent having relied on these aid subsidies for much of their very existence. For example, a full 60% of the national budget in Rwanda is funded by aid.

However, this substantial amount of aid has not resulted in economic growth — the key to alleviating poverty. Aid does not appear in the aggregate to have had much impact on growth and poverty alleviation. Despite the vast quantities of aid that have been provided since the wave of African independence in the 1960s, the reality is that much of Africa is worse off now than it was then.

No country or region has ever developed because of aid alone. Indeed, as was put to the Committee in the Hague, Netherlands, by Roel van der Veen, author of *What went wrong with Africa?*: “There has never been a country in history that has been developed by outsiders.”⁸² Rather, it is investment, along with the wealth creation and jobs that it generates, that ultimately leads to lasting growth and development. If traditional models of development assistance really were the answer, then African economies would be stronger than those of Asia. However, while African countries have received five times the foreign aid that Asian countries have, their per capita income has actually declined whereas Asia’s has nearly doubled.

Many in Africa and elsewhere actually believe that aid is largely ineffective, is subject to diminishing returns, and does not filter down to the poor. Aid has been disbursed inappropriately in the past and it, therefore, needs to be better managed, properly spent, and

⁸¹ Andrew Jack, “Big Effort to Avoid the Errors of the Past,” *Financial Times*, 16 November 2006, p. 4.

⁸² Meeting, The Hague, Netherlands, 16 October 2006.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

monitored. In many cases, much of foreign aid is spent on consultants in rich countries, rich-country farmers (in the case of food aid), and transportation costs in delivering the aid.

Certainly, grand development plans for saving Africa seem to have failed to achieve their intended results on more than one occasion.⁸³ Even worse, funds designated by governments or donated by private individuals and firms do not always make it to the intended recipient because they are diverted by the ruling elites to be used for other purposes.

Concerns have also been expressed that aid has resulted in a dependent relationship between donor and aid recipient that has undermined self-reliance; that aid has delayed reform efforts, centralized power in bad regimes and held back democratic development; that aid has crowded out private-sector investment; that aid encourages corruption; that, since governments tend not to be very good at making investment decisions, aid has undermined economic development; and that aid has led to higher domestic currencies and a resulting decline in countries' ability to generate exports and attract investment.

The Committee was told by many witnesses that aid has disrupted the natural relationship between governments and those they govern. Aid distorts the relationship that demands services for taxes, and the equitable and transparent diffusion of resources. In many cases, it also prevents the punishment, whether through electoral losses, demanded reforms, or change of government, that would result for those leaders who have failed to provide for their citizens and increase their quality of life.

The Committee heard that development assistance is too centred on the political leaders and governments of recipient countries. This aid often tends to increase the size and scope of government, which tends to decrease long-term growth.

The ability of African nations to effectively absorb increased amounts of aid also remains an issue for many observers. As Professor Collier informed the Committee, aid is

⁸³ William Easterly has provided a historical critique of large-scale "utopian" plans for international development, which have been largely unsuccessful and remarkably similar in both rhetoric and intentions. *The White Man's Burden, Why the West's Efforts to Aid the Rest Have Done so Much Ill and so Little Good*, Penguin, New York: 2006.

subject to diminishing returns. Many African countries simply do not possess the institutional or human capacity that is needed for effective aid absorption. Aid programs can also not function effectively in an environment in which the rule of law is limited.

Many Africans have come to realize that there is a need to begin to construct a more sustainable economic future, to move beyond foreign aid. It is worth noting that this shift in focus away from aid is entirely in keeping with the goals of the African Union, which plans to wean Africa off aid and push it into the global mainstream of international trade and investment.

Given the trends in today's provision of long-term development assistance, it is unlikely that the world will suddenly turn around and eliminate all development assistance. We are of the view that aid can have a role to play if it is specifically targeted and designed to not be permanent. Short-term humanitarian assistance has been well appreciated and there is no substitute for quick injections of money, food or medicines for emergency relief. Development aid can serve a useful role if properly targeted at training, technical assistance, skills development and capacity-building. Development aid can assist with the modernization of agriculture and with facilitating private sector development in countries employing sound development policies. Multilateral assistance can be critical in the completion of costly and large-scale infrastructure projects. Finally, in the case of HIV/AIDS and malaria it is clear that external assistance is needed.

Given the poor growth record in Africa, it is clear that international development assistance on its own has been spectacularly unsuccessful at raising the standard of living in Africa and has often been misdirected. It is for these reasons that the Committee urges caution in the allocation of foreign aid.

4. Redirect the Development Assistance that is Given to Fewer Countries and Towards Economic Development

We should give aid to those countries that are performing and delivering.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

*Dr. Nemat(Minouche) Shafik,
Director General Country Programmes,
Department for International Development (DFID), United Kingdom*⁸⁴

When people have a greater stake in the economy, they demand more of their government.

*Mr. Andrew Kidd, Head of Africa and Growth Team, DFID,*⁸⁵

The Committee is of the view that development aid, as differentiated from short-term humanitarian assistance, should only be given to countries exhibiting a true commitment to achieving economic progress, including a real desire to implement sound governance and build effective institutions. External aid given to countries that are not broadly free and democratic, in both an economic and political sense, has failed, since it strengthens the very institutions that thwart prosperity and it creates disincentives to structural reforms. Strict criteria for the receipt of aid must be established.

Members of the Committee have discussed the problem of what criteria to use to select countries, which is an extremely challenging task. To be a priority recipient of Canadian aid, countries must be very poor (with average income levels of under US\$1,000 per year), must be able to absorb and use aid effectively and the Canadian aid presence in a given country must be high enough to achieve value-added in the assistance efforts. The Committee was told in the Hague that the Netherlands selects countries according to levels of poverty, the quality and soundness of that country's governance and policies (measured according to specific governance criteria), the historic relationship of the country with the Netherlands (including political considerations), the country's need for aid, and the potential for value-added by Dutch development assistance.⁸⁶ The Committee was told that the United Kingdom selects countries primarily based of levels of poverty and the quality of the policies and governance of the recipient country.⁸⁷ In doing so, the Department for International Development asks: is this country over or under-aided by the rest of the world?

⁸⁴ Meeting, London, United Kingdom, 18 October 2006.

⁸⁵ *Ibid*

⁸⁶ Meeting, The Hague, Netherlands, 16 October 2006. See also, *Mutual Interests, Mutual Responsibilities: Dutch Development Cooperation en Route to 2015*, Ministry of Foreign Affairs, October 2003.

⁸⁷ Meeting, London, United Kingdom, 18 October 2006. The United Kingdom bases its criteria on "a shared commitment to three objectives: reducing poverty and achieving the Millennium Development Goals;

Using Canadian criteria, Canada has selected 14 countries in Africa. However, some members of the Committee have reservations about some of the members on the list.

In contrast to the criteria that are commonly used by many donor countries to select recipient countries, the Committee believes that these selection criteria must be more focused and tough-minded. At minimum, the following three key preconditions must be met before development aid can be received:

- Aid recipients must display good governance;
- They must be making a real effort to achieve economic growth and create jobs; and
- They must be working hard to develop their private sectors and to establish a favourable investment climate.

Focusing aid money on “good performers” gives non-aid-recipient countries, or “bad performers,” an incentive to improve their economic and political governance. This is in fact the underlying principle of NEPAD. This focus also gives donor countries such as Canada a chance to have a real impact on the development of its aid partners.

There should also be an emphasis on results. To that end, it would be helpful if the assistance that is provided is targeted at recipients’ efforts to realize their growth potential.

The current focus of the international aid effort appears to have been on social welfare: to bolster social and not economic or private sector development. However, one of the central messages of this report is that the focus of international assistance should be returned to what it once was, namely emphasizing economic development, especially by fostering of private-sector initiatives.

It stands to reason that aid targeted at countries implementing sound growth-promoting measures has a better chance of being effective. Aid to build infrastructure and to directly

respecting human rights and other international obligations; and strengthening financial management and accountability, and reducing the risk of funds being misused through weak administration or corruption,” www.dfid.gov.uk/pubs/files/conditionality.pdf.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

support productive sectors (e.g., agriculture, industry, trade, services) could facilitate the development process, whereas expenditures on social development have not led to growth.

Over the past thirty years, road building and other large infrastructure projects (e.g., power) have been largely suspended in favour of investments in basic human needs such as education and health. Yet there is a tremendous need for regional and country-specific transportation links in Africa. It is unacceptable that grain has to be shipped from Saskatchewan to Northern Ethiopia instead of from Southern Ethiopia because of a decrepit road system. The Committee is of the view that it is time to reconsider this emphasis on social spending and place the focus back on building infrastructure in order to boost economic development. That having been said, one needs to support infrastructure projects with a purpose and with proven demand. For example, it makes little sense to build a road to nowhere.

Narrowing these infrastructure gaps will require an increase in investment. In recognizing the importance of infrastructure in achieving higher rates of economic growth and in improving access of poor individuals to markets and services, a number of aid donors recommended a sizeable increase in World Bank support for infrastructure. The World Bank has now understood that it will have to give infrastructure development a much higher priority, and it is now doing that. Infrastructure development is best handled by the international community at the multilateral level.

While in Africa, the Committee was told repeatedly that skills and training, above everything else, is what Africans need from the international community. Skills and training to address the “skills gap,” along with technical assistance in areas such as public service reform, central banking, financial management and audits, tax systems, government regulations, parliamentary oversight, electoral assistance, project management, judicial and legal reform, security sector reform, and design of institutions, among other things, can provide the necessary pieces for developing countries to emerge as strong economies and polities. Moreover, if the developed countries were to focus heavily on training and capacity-building, including skills and technology transfer, then small businesses in Africa could increase their contribution to economic development.

While in Africa, we heard of three initiatives where international professional development, technical assistance, and skills development can make an important contribution:

- In Nairobi, Ms. Joyce Nyamweya of the Public Service Reforms and Development Secretariat told the Committee of an extensive plan to reform Kenya's public service that had been based in part on the Canadian model, and facilitated by visits to Canada.⁸⁸
- While in Johannesburg, we learned of a pilot project launched by the NEPAD Business Foundation. This "Leadership Programme" is aimed at developing future African leaders in the private sector, public sector, and civil society through various training sessions and visits to key international institutions.⁸⁹
- In Cape Town, we heard of Enablis, which was initially funded by the Canada Fund for Africa and will soon be a self-sustaining enterprise. Enablis, a membership-based NGO, focuses on developing and assisting entrepreneurs in Africa to implement their business plans. This initiative has 151 members and has led to the creation of 150 new jobs.⁹⁰

Programs such as these need our support.

As a final point, the Committee was urged to be mindful of the need for the developed countries to support the economic development of the economic motors of sub-Saharan Africa (e.g., South Africa, Nigeria, Kenya). For example, South Africa is considered to be the economic engine of Africa, accounting for almost one half of continental GDP and a significant proportion of intra-African trade and investment. As Nadia Kostiuik of the Canadian International Development Agency told the Committee: "If you are involved in Nigeria you are involved with one-quarter of Africa's total population." Clearly, Nigeria is an engine of growth. Canada has overlooked Nigeria, and this is a mistake. Canada and the world must engage with Nigeria. The Committee is not necessarily suggesting that aid be increased to Nigeria, but rather that it should be engaged through other means, such as greater commercial and private sector

⁸⁸ Meeting, Nairobi, Kenya, 13 October 2006.

⁸⁹ Meeting, Johannesburg, South Africa, 11 October 2006.

⁹⁰ Meeting, Cape Town, South Africa, 9 October 2006.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

involvement. For its part, the Democratic Republic of the Congo not only has the greatest future potential and can be a definite economic engine for the continent, but it also directly affects a vast region of Equatorial Africa.

Growth in these regional motors, which are in a position to engage with the international economic system, can lift the surrounding regions and create a ripple effect of increased jobs and investment.

5. Focus Aid on Micro-finance Initiatives

In some African countries, the rate of bank ability is one-tenth of 1% and if this rate were transposed to Canada, it would mean that less than 35,000 individuals would have access to financial services. The non-availability of financing and adapted financial services is a strong break on the emergence and consolidation of effective private enterprises.

*Mr. Yvon Bernier, Senior Director, Africa Region,
Développement international Desjardins⁹¹*

The Committee, impressed by the success of the Desjardins micro-financing program, was informed of the importance of access to financial services⁹² and of the need for increased private capital in Africa. Small businesses are often constrained by a lack of access to finance, especially the initial credit required to start businesses and the longer-term credit required to finance business expansion. In many countries, the financial sector remains extremely modest and confined largely to commercial banks.

The dynamism of the African street scene is palpable. Shopkeepers, street vendors and peddlers of all descriptions compete with one another for business. This dynamism has not been harnessed by the formal banking sector and does not show up in the formal economy. In the DRC, for example, there are huge markets with thousands of street traders, shops, restaurants and cafes on the streets of Kinshasa, yet in a country of some 60 million inhabitants there are only 50,000 bank accounts.

⁹¹ *Evidence*, 13 April 2005, 38th Parliament.

⁹² Mobilizing local savings deposits stimulates the demand for domestic products and enables entrepreneurs to accumulate equity for business start-ups while providing access to a suitable source of financing.

In many African countries, small entrepreneurs represent up to 80% of the entire economy even if the activities of most of them are not officially recorded. Access to any financial services in rural areas has been severely limited. Overall, the bankability rate in Africa is low, as the informal sector and part of the formal sector do not have access to financial products.

What is required are efficient and sustainable regional financial markets; domestic savings and financing structures; and a semi-permanent pool of capital for investment that does not require debt servicing. Donors need to provide funds or some sort of guarantee to mobilize private capital, and it would be helpful if technical assistance in the form of training in business planning would also be made available.

Most importantly, however, African countries need access to micro-credit and micro-finance institutions. Over the past three decades, the concept of providing credit, savings, insurance, and other financial services to the poor (i.e., microfinance) has served as a cost-effective tool for alleviating poverty. Without access to microfinance, the bulk of the population in Africa, particularly women, will remain ineligible to access the services of the existing financial institutions.

In Dakar, Senegal, the Committee met with a group of dynamic women who have started their own small businesses through access to loans and financial services provided by a micro-credit institution — a partnership of Desjardins Development International and PAMECAS (Programme d'Appui aux Mutuelles d'Epargnes et de Credit au Senegal). A full 60% of PAMECAS clients in Senegal are women. This initiative has facilitated small business growth in a country where the majority of citizens had lacked access to banking services in previous years. The Committee was very impressed with this program.⁹³

What makes microfinance such an appealing option is that it enables poor individuals to improve their own situations through their own efforts. It facilitates upward social mobility and the growth of an entrepreneurial and eventually middle class. This “bottom-up” approach lies in

⁹³ Meeting, Dakar, Senegal, 6 October 2006.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

contrast with traditional anti-poverty efforts (e.g., government-to-government aid, debt forgiveness), which tend to be mostly “top-down” in nature.

We believe that developed countries should vigorously support micro-credit and micro-finance in Africa. Micro-finance facilitates the upward economic mobility of the poor in countries that lack access to financing.

6. Improve the Delivery of Aid

Some studies show how much time officials in developing countries can spend meeting with people like me, who want to see what is happening and have questions answered. If the donors were better organized and had people working on the same files talk to these officials at the same time, clearly there would be greater efficiency of effort and time. It would make a big difference.

*Ms. Nadia Kostiuk, Director General, Policy, Strategic Planning
and Technical Services, CIDA*⁹⁴

I know that for one specific year we studied the number of missions to Ethiopia. We identified over 2,500 missions, which required the time of officials and parliamentarians. You can see that all of it becomes impossible to manage and very difficult

*Ms. Isabelle Bérard, Acting Director, Policy, Strategic Planning and
Technical Services, CIDA*⁹⁵

Donor countries also need to explore new ways to deliver their aid more effectively. Several options are available. The current trend in aid delivery is to move away from support to individual aid projects towards broader recipient-country budgetary support. In Ethiopia, the Committee heard that \$30 million out of the \$70 million Canadian aid budget is delivered through this type of budgetary support and that this form of aid delivery was viewed favourably. We think this is a bad idea.

It has been argued that budgetary support imposes much less of a burden on both aid recipients and donors to monitor the hundreds of development projects for which a typical African country receives funding. However, this type of support delivery requires donors to be especially careful about which countries aid should be given to. The Committee was told that governments receiving budgetary assistance would have to be transparent and accountable, especially when such aid comes from either multilateral programs or pooled funding from donors. In these situations, we heard, it is harder to assess aid effectiveness and even to track the funds. External funding of the national treasuries of recipient governments is not the way to go.

⁹⁴ *Evidence*, 9 February 2005, 38th Parliament.

⁹⁵ *Evidence*, 2 November 2005, 38th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

Another option offered to the Committee was to deliver aid through the private sector and non-governmental organizations (NGOs) whenever possible, bypassing governments. One problem with this approach, however, is that the number of NGOs has grown by epidemic proportions. According to a study by the Centre for Global Governance at the London School of Economics, the number of international NGO branches in Africa had skyrocketed to almost 40,000 by 2003. One can also add to this the thousands of grassroots African NGOs that sometimes work alongside their foreign counterparts.

This speaks to a more general concern: the host of actors in the foreign aid business. The Committee heard in Washington and New York that for African countries with limited government resources, dealing with the multitude of NGOs and donor countries was consuming considerable time and effort that could be more effectively spent.

As a result of this proliferation, it was also brought to the Committee's attention that donor countries should significantly increase harmonization of all foreign aid. Options that were offered include increasing the share of aid provided by multilateral institutions and through joint-financing, identifying lead donors for countries and sectors that all other donors support, and as was suggested to the Committee in London by Karin Christiansen of the *Overseas Development Institute*, creating a single aid fund for each country.⁹⁶ All of these options are worth exploring. Unfortunately, as it currently stands, many countries are still preoccupied with political visibility — having their national flag on aid programs and spending.

Overall, improving donor harmonization is a necessity. Uganda currently has 43 different donors, each with their own standards and reporting requirements. Yet, there are surely areas such as support for good governance where like-minded countries such as Canada, the United Kingdom, Denmark, and the Netherlands can agree to common standards and mutual recognition. As the Committee was told by the Director of Denmark's Africa Division, a united front and harmonized donor efforts would not only reduce costs and inefficiency for donors and recipients, but would probably also lead to greater compliance with donor governance standards.⁹⁷ Professor Paul Collier told the Committee that: “establishing common benchmarks

⁹⁶ Meeting, London, United Kingdom, 18 October 2006.

⁹⁷ Meeting, Copenhagen, Denmark, 17 October 2006.

would establish red lines that recipient governments know about and probably would not cross.⁹⁸

Our preferred option is that aid should be delivered through partnerships with the private sector to the greatest extent possible. In particular, aid can be effectively delivered through private investment channels. If budgetary support has to be given directly to aid-recipient governments, donors should ensure that these governments are transparent and accountable before undertaking the transfers.

Finally, donors should untie the foreign assistance that they provide. It is undeniable that tied aid, linked as it is to the purchase of goods and services in donor countries, undermines aid effectiveness and increases costs. Further progress in the untying of aid can and must be achieved.

7. Help African Countries Build Better Institutions and Battle Corruption

[...] without progress in governance, all other reforms will have limited impact.

Ms. Claire Marshall, Director, Institute on Governance⁹⁹

We slowly came to the conclusion in the 1990s that institutions do matter. In fact, unless you have a democratic or non-corrupt government, you may have the right policies, but private investment will not come, jobs will not be created, you will not export and you will not grow, especially if you have a fast growing population that requires more expenditure to stay put.

Mr. Marcel Massé, Executive Director, World Bank¹⁰⁰

I believe that we can safely say that evidence shows that countries with accountable and transparent systems of government that respect the rule of law, are able to attract greater public and private investment, promote private sector development and, in so doing, create greater opportunities for the poor, for growth and for development.

*Mr. Paul Hunt, Vice-President, Africa and Middle East Branch,
CIDA¹⁰¹*

⁹⁸ Meeting, London, United Kingdom, 18 October

⁹⁹ *Evidence*, 1 June 2005, 38th Parliament.

¹⁰⁰ *Evidence*, 11 May 2005, 38th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

African nations, on top of undertaking actions of their own in the area of governance, require additional support from the international community to tackle serious deficits in institutional capacity. Targeted assistance by rich countries could help to support the democratization process, strengthen institutions and governance, and improve the transparency of public expenditures, thereby lessening corruption as well as improving the accountability of government in general.

Regarding key institutions, developed countries could support African efforts to improve governance by assisting in the development of effective institutions (e.g., independent judiciaries, independent and free media, independent central banks, independent electoral commissions, efficient civil services, and neutral and professional police forces). On top of that, African Parliaments require more training and resources to improve their legislative and oversight functions.

The Committee was counselled to work through existing institutions, specifically the NEPAD/AU framework. The necessary programs are already in place, what is required is for them to be strengthened and fully implemented. NEPAD is an approach to development that is different — it stresses African ownership and responsibility for the development process and the generation of investment and growth — with previous approaches to African development having focused heavily on aid. In keeping with the NEPAD framework, international donors could provide technical assistance and resources for those African countries who want to complete the Peer Review Mechanism process, but who lack sufficient institutional capacity and skilled professionals to do so.

Regarding the fight against corruption, much of the money lost to corruption lies in the bank accounts and shell companies in the richer countries of the world. According to the Kroll Report, which was commissioned by the Kenyan government in 2003 to locate funds siphoned out of the country by elite members of the previous Daniel arap Moi regime, banks in the 1990s were complicit in this theft. These banks in Western countries have been complicit in the corruption of African leadership and the pillaging of national funds.

¹⁰¹ *Evidence*, 8 February 2005, 38th Parliament.

We need to reform the banking sector by stopping international financial institutions from absorbing “illegal” and embezzled monies diverted from the African people. As Jay Naidoo of the Development Bank of South Africa asked the Committee: “Corruption has two sides to it, where did Mobutu put his stolen money?”¹⁰² Professor Collier also made firm statements to the Committee on this problem. He argued that western banks have been “living off the immoral earnings of others.” They are “pimps.” But, “pimping bankers are no better than any type of pimp.”¹⁰³

To date, there has been almost no follow-through, prosecutions, or enforcement regarding these transactions. We must introduce mechanisms to trace and recover embezzled public funds. We need to design and enforce strong legislation, repatriate stolen funds, eliminate the opaque culture of the banking sector, and treat the stolen public purse in the same manner as we would laundered money and money used to finance terrorism.

RECOMMENDATION

Canada, in collaboration with other countries and various international groups including the Canada-founded Global Organization of Parliamentarians Against Corruption (GOPAC), should play an important role in having developed countries establish and enforce strong national legislation to address the embezzlement of public funds in Africa. This legislation should contain strong measures that would allow for the prosecution of those individuals involved in such embezzlement and guide the repatriation of the stolen funds to African countries. If any of these embezzled funds end up in Canadian financial institutions, the Canadian government should repatriate these funds.

8. Help Africa With Medical Crises

It is no exaggeration to say that today AIDS is the greatest threat to Africa’s development.

*Mr. K.Y. Amoako, Executive Secretary,
United Nations Economic Commission for Africa,
and United Nations Under - Secretary-General¹⁰⁴*

¹⁰² Meeting, Johannesburg, South Africa, 11 October 2006.

¹⁰³ Meeting, London, United Kingdom, 18 October 2006.

¹⁰⁴ *Evidence*, 15 February 2005, 38th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

AIDS is negatively affecting every aspect of the social, economic and political development of Africa. It strikes people down in their prime, when they are raising their children, farming their lands, earning their wages, teaching future generations and leading their countries. By the same token, every development challenge that Africa is facing, whether poverty, poor health, gender inequality, or war and instability, is contributing and driving the spread of AIDS.

*Mr. Kevin Perkins, Executive Director,
Canada Africa Partnership on AIDS¹⁰⁵*

The aim of the international community has been to reverse the spread of HIV/AIDS and the incidence of malaria¹⁰⁶ and other major diseases. A comprehensive solution to the crisis of infectious diseases in Africa is required, with a key element of this response aiming that developing countries obtain access to affordable, generic drugs deemed to be essential.

In recent years, donors have provided increased funding through various means: through the Global Fund to Fight AIDS, Tuberculosis and Malaria, a public-private partnership that considers the recipient countries' own requirements and health systems;¹⁰⁷ through the World Bank; bilaterally; and through non-governmental organizations. Businesses are also involved in the battle against these diseases to some extent.

Despite past assistance efforts, the global community is being asked to provide additional financial resources to deal with these health problems. In some cases, the quantity of additional resources needed is not prohibitive. The Committee heard that while malaria and HIV/AIDS kill about the same number of people per year in Africa, malaria has been treatable for the past 150 years and can be effectively prevented with the purchase of relatively cheap medication or a \$7 insecticide-treated mosquito net.

We were also informed that there has to be more effective action on the HIV/AIDS crisis. It is true that donor countries have made major contributions at the multilateral level to the Global Fund to Fight AIDS, Malaria and Tuberculosis.

¹⁰⁵ *Evidence*, 22 February 2005, 38th Parliament.

¹⁰⁶ Of the more than one million malaria-related deaths every year, it is estimated that 90% occur in sub-Saharan Africa, the great majority of them among young children.

¹⁰⁷ This Fund accounts for one-quarter of donor spending on AIDS, over 50% of donor expenditures on malaria and two-thirds that on tuberculosis.

All told, the global resources for the fight against AIDS reached US\$8.3 billion in 2005. However, as the population of those infected with the virus receiving treatment grows,¹⁰⁸ the cost to keep them alive through medication will rise as well. It is estimated that this figure will grow to US\$22 billion by 2008 and, in response, UN member states have agreed to triple annual spending on the fight against HIV/AIDS in developing countries.

While global funding has grown, bilateral programming in many recipient countries has often lacked coordination, thereby reducing its effectiveness. We agree with the conclusions of the Commission for Africa that the international community must reach an agreement to harmonize all of the various responses to the crisis.

Another important step would be to improve Africans' access to affordable medicines, especially those sourced in Africa. When the committee was in Bukavu, Democratic Republic of Congo, we had a very interesting tour of a pharmaceutical company (PHARMAKINA) which operated in the chaotic vestiges of a once modern city. In fact, the hotel that the Committee stayed at had been previously subjected to mortar fire.

In the course of that visit, we were told that the World Bank would not assist the company with loans because it was competing with international drug companies. PHARMAKINA could not get the World Bank assistance to buy the petroleum-based inputs that it needed.¹⁰⁹ We believe that the Canadian Director of the World Bank should make the Bank's lending to the Bukavu-based company a priority.

Yet another point worth making is that health professionals who are needed to deal with HIV/AIDS are continuing to leave Africa for better opportunities in wealthier countries. This outward migration further undermines health care systems that are already under considerable stress.

¹⁰⁸ In 2005, some 1.3 million people in the world had access to antiretroviral drugs.

¹⁰⁹ Meeting, Bukavu, Democratic Republic of the Congo, 14 October 2005.

RECOMMENDATION

To help Sub-Saharan Africa deal with its serious health crises, Canada should assume a leadership role in encouraging the international community to:

- **Take new initiatives to drastically reduce the threat of malaria and provide medication for those afflicted with the disease;**
- **Achieve a single, harmonized, fully-resourced global plan to address the HIV/AIDS crisis. In developing this common approach, greater focus should be placed on preventing the spread of the disease;**
- **Work extensively with African non-governmental organizations, local community organizations, traditional chiefs, and healers associations in stemming the incidence of AIDS in rural regions of Africa; and**
- **Address the serious issue of female genital mutilation.**

9. Take African Conflicts Seriously and Aggressively Help to Resolve Them

The world has not responded well to African crises. There are unlimited examples. The Kosovo intervention in 1998-1999 was massive. It must have cost billions of dollars. At the same time, there was a similar kind of civil war, worse really, going on in Sierra Leone. There was no response to it. People just forgot about it.

*Mr. Timothy Stapleton, Associate Professor,
Department of History, Trent University¹¹⁰*

Once conflict begins, the resources to deploy a fully-equipped, sizeable, and capable military force to end them and protect civilians are often unavailable or insufficient. Also, the effects of armed conflict, including death, societal breakdown, and economic stagnation can take generations to overcome.

Yet, there are often early warning indicators of the potential outbreak of conflict. For example, there were tensions between black farmers and Arab grazers over land rights and usage in Darfur and between the people of Darfur and the central government over political and economic marginalization in Sudan before the outbreak of conflict in 2003. Therefore, the

¹¹⁰ *Evidence*, 1 February 2005, 38th Parliament.

international community, in particular the United Nations Security Council, must focus resources on the prevention or resolution of conflicts in their early stages.

A critical element of conflict prevention is post-conflict peacebuilding. It has often been said that the most reliable indicator of future conflict is the prevalence of past conflict. Indeed, in his 2005 report on reforming the United Nations (UN), *In Larger Freedom*, UN Secretary-General Kofi Annan noted the alarming tendency for a return to violence within five years of the conclusion of armed conflict.¹¹¹ Without effective post-conflict peacebuilding — which includes the holding of legitimate elections, disarmament, demobilization, and reintegration of former combatants, strengthening of public institutions, judicial and security sector reforms, and economic initiatives — many countries become trapped in a conflict cycle. If past grievances and underlying causes of conflict are not addressed, conditions exist for the resumption of violence. The failure to fully consolidate peace has resulted in repeat military interventions and the resumption of conflict in countries such as Sierra Leone.

Robert Fowler, then Personal Representative of the Prime Minister for Africa, discussed the underlying tensions associated with economic development that have fuelled the conflict in Darfur. He told the Committee: “One of the issues in Darfur that rarely gets discussed is that the population pressure is such that the very poor land those 7 million people live on can simply not sustain the population.”¹¹² These conditions must be addressed by the Government of Sudan and international donors if any cessation of armed conflict in the Darfur region is to hold. However, to date, international efforts directed at long-term peacebuilding have lacked commitment, funding, and coordination.

In order for it to be effective, and considering the complexity of issues such as rebuilding, reforming, and training national military and police forces, the commitment to peacebuilding must be sustained and long-term. As Colonel Denis Thompson told the Committee: “You cannot reform a military overnight. You cannot build a police force

¹¹¹ United Nations, *In Larger Freedom: Towards Development, Security and Human Rights for All*, Report of the Secretary-General of the United Nations, New York, March 2005, Addendum 2, www.un.org/largerfreedom/.

¹¹² *Evidence*, 30 May 2006, 39th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

overnight. You cannot establish a judiciary or any of those things without a long and sustained effort.”¹¹³

We were told in South Africa that post-conflict interventions have not concentrated on the reintegration of former combatants. In many cases former soldiers roam the streets, face immense difficulties in finding employment in shattered economies, and lack the skills to transition from war-fighting to civilian life. Without a job, many combatants rejoin armed groups or engage in looting, which contributes to the insecurity of their society. While it is relatively easy to collect weapons after a war, the social and economic complexities associated with post-conflict reintegration are enormous.

However, we heard that the reintegration of former combatants is poorly understood. The Committee never heard a compelling answer to the question of how to reintegrate former combatants. We were told that the international community and national governments often focus peacebuilding efforts on short-term priorities that are easy to target and to publicize, such as the disarmament of combatants. However, attention and resources are needed on the long-term economic and institutional issues that are critical to the reconstruction of war-torn societies. We must research this problem and try to connect reintegration strategies with overall efforts to stimulate economic growth and create jobs in post-conflict states. Large infrastructure programs and agriculture are two sectors that could be targeted.

The United Nations Security Council has a history of failure in managing and resolving conflicts in Africa. The Security Council’s failure to intervene to halt the genocide in Rwanda in 1994 is the most sobering example. In other instances, such as Sierra Leone, the Congo, and Cote d’Ivoire, intervention by the British and French militaries served to rescue unsuccessful UN interventions.¹¹⁴

The Committee was told that the United Nations does not have the logistical and military capacity or the organizational structure to respond quickly and effectively to conflicts.

¹¹³ *Evidence*, 8 February 2005, 38th Parliament.

¹¹⁴ For example, Britain dispatched troops to Sierra Leone in 1999 to halt a civil war; 8,000 peacekeepers were sent to the Democratic Republic of the Congo in 2003; and, French sent its military into Cote d’Ivoire.

Colonel Denis Thompson noted that the UN usually requires up to six months for the planning and deployment of a peacekeeping operation. However, as Rwanda illustrated in 1994, violent conflict can escalate in a matter of weeks, and therefore, a more rapid-reaction capability, is required. Moreover, UN missions face significant challenges when deployed in complex security environments beset by irregular warfare.

In their defence, UN officials told the Committee that if its peacekeeping operations do not work, it is because rich countries do not provide the political will and troop support to make them effective. We heard that wealthy countries like Canada are too afraid of the political cost of troop casualties in Africa and other far-removed destinations, and would rather give money instead of committing “boots on the ground.” Indeed, the Committee was told at UN Headquarters in New York that Canada is one of the most risk-averse forces in the world and that the criteria for military engagement are too strict. The threat assessments coming from Ottawa are very different from those originating on the ground.¹¹⁵ It was brought to the Committee’s attention that the Department of National Defence had declined to send four officers to the Eastern Congo to train Congolese officers due to their hesitation over perceived security risks.

As a result, UN forces are increasingly composed of troops from developing countries while rich countries are increasingly opting to provide indirect support from a distance. While in New York, the Committee heard some disturbing figures that cast light on the lack of importance the international community places on conflict resolution in Africa. UN officials stated that although 90% of wars take place in Africa, 90% of resources devoted to preventing or stopping wars are spent outside of Africa. Moreover, for every dollar spent in military/peacekeeping activity in Africa, \$200 was spent elsewhere. It was put to the Committee in no uncertain terms: the UN is left to resolve the difficult conflicts no one else cares about. Moreover, it is not given the resources necessary to do the job.¹¹⁶

Despite its flaws, the UN remains the organization most actively addressing conflict in Africa. African security issues dominate the agenda of the UN Security Council — seven of the

¹¹⁵ Meeting, United Nations Headquarters (New York City), 10 November 2005.

¹¹⁶ *Ibid.*

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

UN's current 16 peacekeeping operations are in Africa. This includes significant peace support operations in Sudan, the Democratic Republic of the Congo (DRC), Burundi, and Liberia.

Ideally, African organizations would bear the primary responsibility for the maintenance of peace and security on the African continent. However, for this to happen, the quality and capability of the African Union peacekeeping forces must be improved. Currently, AU forces lack the capacity to assume this role.

In Pretoria, Dr. Peter Kagwanja of the Human Science Research Council described the African Union as “a work in progress.”¹¹⁷ The AU's peacekeeping forces are hindered by insufficient funding, undeveloped organizational infrastructure, limited planning and logistical capabilities, and poor training and military leadership. For example, the AU mission in Darfur has required logistical support, equipment, vehicles, aviation fuel, and even direct financing to pay its troops. For this reason, international forces, including UN peacekeepers, will still be needed in Africa for the foreseeable future — particularly in the event of conflicts that require large-scale interventions.

The Committee was particularly struck by the testimony it received from Jane Boulden, a professor at the Royal Military College of Canada, on the issue of burden-sharing for security operations in Africa. It was noted that 10 of the 16 members of ECOWAS rank in the lowest third of the United Nations Human Development Index, a measure of countries' overall standard of living. Therefore, “we are asking states that can barely cope with their own situations to take on the issues and military operations required for regional conflict.”¹¹⁸

RECOMMENDATION

The federal government should lead international efforts to generate increased financial, logistical and training support for the peace and security activities of the African Union and other regional security organizations in Africa.

¹¹⁷ Meeting, Pretoria, South Africa, 11 October 2006.

¹¹⁸ *Evidence*, 20 April 2005, 38th Parliament.

10. Deal Aggressively With the Conflict in the Democratic Republic of the Congo

[I]nstability and war in the Congo and the Great Lakes region from 1996 to 2002 resulted in the worst humanitarian crisis in recent history, with over three million dead directly and indirectly, and gross human rights violations, especially against women and children.

*Ms. Anne-Marie Bourcier, Director General,
Africa Bureau, DFAIT*¹¹⁹

It has been estimated that over 3 million people died in the Democratic Republic of the Congo (DRC) between August 1998 and November 2002. This tragic conflict, which at its most devastating point involved the armies of seven African nations, has been called “Africa’s First World War.” However, despite the magnitude of suffering associated with this regional war, with its associated deaths, sexual violence, impunity, displacement, pillaging of natural resources, famine and disease, the DRC in this period did not engage the attention of the international community. While the world’s attention was gripped by events in Kosovo, the violent implosion of Central Africa went largely unnoticed and unchecked.

There are two Congos: the former French Congo on the North shore of the Congo River founded by Count Brazza, the capital of which is Brazzaville, and the former Belgian Congo, now known as the DRC. Kinshasa, the capital of the DRC, is a kilometre away from Brazzaville, but on the South side of the Congo River.

Members of the Committee visited the DRC twice. One interesting indication of the difference between the two countries is that in the DRC, a country with 60 million people there are 50,000 bank accounts, while we learned that in the Republic of the Congo, the former French colony, there are 100,000 bank accounts in one bank in a population of only about 3.5 million.

The DRC is a massive country, nearly two-thirds the size of Western Europe. It lies between the Atlantic Ocean and the Great Lakes of East Central Africa and takes up most of the river basins of the Congo River and the Ubangi River. This large country borders on the Republic of the Congo, the Central African Republic, Sudan, Uganda, Rwanda, Burundi, Zambia, and Angola. Tanzania is just on the other side of Lake Tanganyika. Congolese

¹¹⁹ *Evidence*, 9 February 2005, 38th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

instability has had ruinous effects on some of its many neighbours, some of whom have used the chaotic state of government in the Congo to strip it of its resources.¹²⁰ By itself, the DRC is a case study of state failure and collapse, of regional war, and a humanitarian catastrophe.

The Eastern Congo, a region where the Committee held hearings, has suffered the most catastrophic effects of the conflict. After one meeting, a middle-aged U.S. woman missionary who had made a perilous journey to meet with us said with tears in her eyes and gesturing behind her: “You know, they are killing people just behind those hills.”¹²¹ At least 1,000 people were dying every day in this area. We saw the devastating effects of this conflict first-hand in Goma when we visited Dr. Kalumbe Mushabaa Ally and his colleagues at their clinic. The patients are all young girls and women and the doctors perform one operation: they repair vaginas. The girls are raped many times by groups of rebels. Of course, only a fraction of these girls make it to the clinic.

The scale of the conflict in the DRC has now been reduced substantially, but there continue to be 10,000-15,000 combatants in the Eastern provinces. Two key security issues remain: the UN mission in the Congo (MONUC) has neither the mandate nor the resources to effectively protect the civilian population. We were told by the impressive Pakistani Brigadier General Shujaat Ali Khan in Bukavu, Democratic Republic of the Congo, that MONUC could deal with the existing rebels through direct armed engagement, but the UN Security Council holds the force to its stated role of protecting civilians “under imminent threat of physical violence.”¹²² These difficulties are compounded by the lack of an effective national Congolese army capable of disarming foreign combatants and sharing the burden for providing security with MONUC.¹²³ In the DRC, the Committee heard repeatedly of the weaknesses of the national military whose members are essentially unpaid. The Committee observed members of the national army who were in rain-soaked grass huts and compared them to the better-equipped UN forces.

¹²⁰ United Nations Security Council, *Final Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo*, S/2002/1146, 16 October 2002.

¹²¹ Meeting, Goma, Democratic Republic of the Congo, 13 October 2005.

¹²² United Nations Security Council, Resolution 1565, 1 October 2004.

¹²³ Meeting, Bukavu, Democratic Republic of the Congo, 12 October 2005.

The Committee was told that MONUC should aggressively use its Chapter 7 mandate. But, not all Congolese favour such a direct assault — there is considerable political support for a mixed program of military pressure and dialogue with neighbouring Rwanda over the terms of return for the rebels.

When questioned about MONUC, UN officials in New York felt that the main problem was a lack of capability. They observed that MONUC did not have the necessary troops and resources and argued that the international community was simply unwilling to dedicate the assets needed to get the job done. As an example of this lack of political will, Canada currently has only 65 Canadian Forces personnel deployed in Africa and the Committee was told by the Chief of the Defence Staff, General Rick Hillier, that the Canadian military is focused on other domestic and international priorities, including Afghanistan and preparations for the 2010 Olympics in Vancouver.¹²⁴

This reflects traditional criticisms that have been made of the United Nations in terms of military matters — that its military operations are often negatively affected by political considerations and the lack of political will on behalf of its member states, which are often reluctant to commit the necessary resources or to permit robust mandates, rules of engagements, and the delegation of military decision-making to UN commanders on the ground. Decisions made in New York, half a world away from the countries in which UN troops are deployed, are often too slow, bureaucratic, and unreflective of the conditions on the ground, rendering UN missions less effective. Indeed, the delicate political considerations that seem to characterize many Security Council decisions, and the arcane rules and procedures that govern that body, are often not conducive to effective military operations.

To improve upon this situation, it is the Committee's view that the UN Security Council should provide MONUC with a more robust Chapter 7 mandate, the rules of engagement to implement that mandate, and greater resources. In addition, donor countries need to provide greater support for security sector reform and training to strengthen the capacity of the

¹²⁴ *Evidence*, 26 September 2006, 39th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

Congolese national army so that brigades of professional troops could work with the UN to disarm the rebel groups and provide basic security in the country.

RECOMMENDATION

Canada and like-minded countries should aggressively lobby the United Nations Security Council to provide its mission in the Democratic Republic of the Congo (MONUC) with a more robust Chapter 7 mandate and rules of engagement, as well as increased resources.

The DRC currently sits at a crucial juncture. At the end of July 2006 the first free elections in the Congo in forty years were held, with a “runoff” vote for the presidential election held in October 2006, which was won by Joseph Kabila and seems (so far) to have been accepted by the losing candidate John Pierre Bemba, despite initial tensions. The international community must provide sustained engagement in the DRC to ensure that the results of these elections are accepted and that progress towards national reconciliation and rebuilding begins in earnest. Due to its geographic position on the continent, its ability to destabilize the entire surrounding region, and its importance in terms of natural resources, we were told that as the DRC goes, so will the rest of Central and East Africa go. Or, as we were told in Kinshasa: if this process does not work, “there is no Plan B.”¹²⁵

The Committee also heard of the significant number of Congolese civilians dying from the indirect costs of war — malnutrition, lack of access to basic health services, and disease. Therefore, as the situation in Congo improves, the international community, including MONUC, should begin to shift the emphasis of resources from short-term stabilization to post-conflict reconstruction.

11. Harmonize Policies, Regulations, and Definitions Regarding Conflict Resources

Africa is a continent rich in resources. However, this resource wealth has also fuelled and exacerbated many regional and intrastate wars, including those in Sudan, Sierra Leone, Angola, and the DRC. Control of timber, diamonds, oil, and various minerals and precious metals (e.g., coltan, which is used in cell phones) has in some cases been the cause of conflict

¹²⁵ Meeting, Kinshasa, Democratic Republic of the Congo, 2 October 2006.

and in others has provided the financial means for armed groups to continue fighting. For example, the DRC has the greatest economic potential in Africa but it is being raided by its neighbours.

As Bonnie Campbell, Professor at the Université du Québec à Montréal, told the Committee of the need for the international community, spearheaded by the United Nations, to harmonize policies, regulations, and definitions relating to all conflict resources. As such, the United Nations should establish a “common definition of conflict resources,” in order to make monitoring and enforcement more effective.¹²⁶ Addressing the link between natural resource extraction and violent conflict will also require greater scrutiny of countries’ adherence with United Nations sanctions and more comprehensive support for international mechanisms including the Extractive Industries Transparency Initiative (EITI), which was launched by the United Kingdom in 2002.

The EITI intends to publish and verify “company payments and government revenues from oil, gas and mining.”¹²⁷ Canada is currently not a “supporter country” of the EITI, but it should be. We heard that this mechanism contributes to improvements in governance and could even be expanded to include scrutiny of how contracts are rewarded and how government revenues are spent.¹²⁸ This mechanism will be more effective as a result of continuing consultations and collaboration with private sector companies and civil society groups. Overall, Canada and like-minded countries should ensure coherence in their international policies to address the economics of conflict.

¹²⁶ *Evidence*, 19 April 2005, 38th Parliament.

¹²⁷ Extractive Industries Transparency Initiative, www.eitransparency.org/.

¹²⁸ Meeting, London, United Kingdom, 18 October 2006.

CHAPTER 4: WHAT CANADA NEEDS TO DO

As to Africa being a long-term challenge, I would suggest that while terrorism dominates the news, Africa will be the biggest challenge for my generation and the one that will follow.

*Hon. Peter MacKay, P.C., M.P., Minister of Foreign Affairs*¹²⁹

Mr. Chairman, Canada's fundamental objective in Africa is to help reverse the region's social and economic marginalization, which has grave effects on human development, human rights and good governance, and could fuel threats to regional and global peace and security.

*Hon. Peter MacKay, P.C., M.P., Minister of Foreign Affairs*¹³⁰

However, we can not, as world citizens, abandon a part of the world. That is not just bleeding-heart kindness, it is self-interest. We cannot allow one part of the world to continue to struggle with poverty, HIV/AIDS, et cetera. I do not believe that is an option.

*Ms. Barbara Brown, Director General, West and Central Africa,
CIDA*¹³¹

In our view, Canada needs to develop a new, clear and coherent foreign policy on Africa that encompasses all aspects of development (most notably investment, trade, aid, health, security) and focuses on generating economic and employment opportunities. We must abandon the social-welfare approach to African development and concentrate on job creation, Africa's ability to trade regionally and internationally, and developing the private sector. The billions of dollars that have been spent in Sub-Saharan Africa over the past 40 years seem to have had very little effect. As we have said, the standard of living in Africa has not improved.

The future existence of the Canadian International Development Agency should be reviewed. The Government of Canada should create an Africa Office to force this policy coherence on the system. The focus of this new office should be largely economic development, and its staff and decision-making should be decentralized to a larger number of Canadian missions in Africa.

¹²⁹ *Evidence*, 16 May 2006, 39th Parliament.

¹³⁰ *Ibid*

¹³¹ *Evidence*, 2 November 2005, 38th Parliament.

1. Develop a Clear, Comprehensive and Coherent Policy on Africa

[T]he government does not have a coherent and comprehensive strategy on Africa.

*Mr. Lucien Bradet, President and CEO,
Canadian Council on Africa¹³²*

The strategic importance of Africa to Canada is much broader than a simple humanitarian project.¹³³ Indeed, it is often assumed that the limited level of economic development in the African continent renders it unimportant in terms of international trade and foreign investment. However, the Committee met with several groups of Canadian business representatives in Africa that demonstrated the often unknown presence of many dynamic Canadian operations in Africa and the future business opportunities for Canadian companies on that continent.

The Committee received testimony that Canada has a number of interests in supporting a more prosperous and peaceful Africa. First, Sub-Saharan Africa has 726 million people and significant natural resources.¹³⁴ A more prosperous and stable Africa would offer a vast market for Canadian goods and services and be an important source of natural resources and immigrants to sustain Canada's own prosperity.

Second, instability and despair in one part of the world can have quick and profound implications elsewhere. Africa could fuel threats to regional and global peace and security, including global terrorism. Therefore, it stands to reason that engaging with Africa can both

¹³² *Evidence*, 7 June 2006, 39th Parliament.

¹³³ A Council on Foreign Relations Independent Task Force reached a similar conclusion in regards to U.S. foreign policy: "The Task Force finds that Africa is of growing strategic importance to the United States in addition to being an important humanitarian concern. In a world where economic opportunities transcend borders, a policy based on humanitarian concerns alone serves neither U.S. interests, nor those of Africa. Furthermore, the Task Force Report finds that critical humanitarian interests would be better served by a more comprehensive U.S. approach toward Africa," p. 6. The report cited in particular the growing importance of Africa's energy supplies. *More than Humanitarianism: A Strategic U.S. Approach Toward Africa*, Council on Foreign Relations, 2006.

¹³⁴ It is estimated that sub-Saharan Africa contains 30% of the world's mineral reserves, 40% of the world's gold, 60% of its cobalt, and 90% of the platinum, as well as significant oil deposits. DFAIT, 14 September 2006: w01.international.gc.ca/canadexport/view.asp?id=384371&language=E.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

boost peace and security on the continent, but also help to underwrite security in Canada and the world.

Third, the geopolitical stakes in Africa are high. The Committee heard of the increases in China's investments in the African continent, and China's growing political influence and clout with Africa's leaders as a result. We heard in West Africa that China is massively investing in public infrastructure, roads, and ports. In Kenya, Canadian Trade Commissioner Don Butler told the Committee that China is contributing 80% of the investment for the building of the new international airport in Nairobi.¹³⁵ China has invested heavily in oil extraction in Sudan and Chad. At a recent summit with 48 African leaders, China announced \$1.9 billion in trade and investment deals with Africa, along with \$10 billion in loans and assistance. However, as we heard in Denmark, China has "no bottom line" in terms of governance and human rights. Canada will, therefore, need to increase its economic, political, and military profile and engagement in Africa in order to be a major player with a major voice.

Finally, this country has a moral responsibility to help Africa.

Africa should thus be a strategically important region in Canadian international policy and a central focus in efforts to improve international peace and security. The Committee heard that Canada has been in the forefront of development initiatives in Africa for the past 50 years. Recently, Canada has played a significant role in support of Africa and the NEPAD, and it played a leadership role in developing the G8's Africa Action Plan and placing Africa at the top of the G8's agenda.

However, we also heard evidence that Canada is not playing its full role in Africa, and that the federal government does not have a coherent and comprehensive strategy on the continent. Such a strategy needs to take into account not just development assistance but all aspects of economic development in Africa, including trade liberalization at the Doha Round, agriculture, the importance of natural resources management, the generation of domestic and external investment, international trade and export credit to Africa, and generally speaking, the overall presence of Canada on the continent.

¹³⁵ Meeting, Nairobi, Kenya, 12 October 2006.

The Canadian Council on Africa told the Committee: “The government has an aid strategy. It is clear, and we know what it is. It was spelled out in the document, but there is no clear policy statement and no reference to export credit to Africa, to the importance of natural resources management, to agriculture, to international trade, or the overall presence of Canada on the continent.”¹³⁶ A number of examples of inconsistencies in Canadian foreign policy were provided to Committee members:

- Canada supports an international trade regime that is favourable to Africa yet its protectionist stance on agriculture has diminished credibility at the WTO. Canada’s House of Commons hamstrung its trade negotiators in the area of agriculture by adopting a unanimous motion not to negotiate on certain sensitive products.
- Canada is decreasing international business (i.e., trade and investment) resources when 25 African countries will see GDP growth of over 5% in 2006. Currently, there are only 5 Canadian trade officers in all of sub-Saharan Africa and while there are other, locally engaged staff, there are not enough of them. Canada should be doing a better job of taking advantage of these significant economic opportunities.
- Canada is decreasing international business resources when other G7 countries are increasing theirs. Our country provides very few tools to help businesses in Africa. Our very able Canadian Ambassador in Senegal, Louise Marchand, told the Committee that we currently lack adequate mechanisms to engage our private sectors despite the fact that approximately 200 Canadian companies are operating in that region of West Africa: “We need long-term sustained support for our businesses.”¹³⁷
- The Canadian government policy seems contradictory. We want to increase trade but we close embassies, including the three that we shut down in mid-2005. Canada needs more embassies on the African continent.

¹³⁶ *Evidence*, 7 June 2006, 39th Parliament.

¹³⁷ Meeting, Dakar, Senegal, 5 October 2006.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

- Canada has espoused the principles of aid effectiveness while continuing to tie a substantial portion of its aid, maintaining a centralized aid bureaucracy and having an aid program that is not geographically and sectorally focused.

The Committee believes that what is required is a cohesive and coherent Canadian approach to Africa that merges the interrelated activities of our foreign affairs, trade, security, investment and aid officials. Canada needs a comprehensive foreign policy on Africa, encompassing agriculture, investment and trade, aid, diplomacy, and security.

What should be the overriding focus of this new policy? Currently, Canadian international policy regarding Africa is carried out largely through an aid lens. This must change so that Canada's profile in Africa can be more consistent with the existing economic reality in Africa. We believe that Canadian policy on Africa should be reoriented to mirror our suggested focus on economic development, with particular attention placed on agriculture and the private sector. Canada needs to use its foreign aid as part of a broad investment and foreign policy for the region. Other countries, such as the United Kingdom, Denmark and Belgium have linked aid with economic growth in their foreign policies, and so must we.

RECOMMENDATION

The Government of Canada should develop a coherent and comprehensive international policy on Africa and, in so doing, reorient existing policy on Africa to devote significantly greater attention to generating economic and employment opportunities for African people.

In crafting this new policy, the government should be mindful of the need to reorient its thinking on Sub-Saharan Africa to a regional approach. This applies to economic strategies, security strategies, and development strategies. As the Committee was told in Africa, bilateral relationships and bilateral strategies do not reflect the reality on the ground and overlook the intense regional component and connections between African countries.

2. Decide the Future of the Canadian International Development Agency

However, I have noticed that every time there is a new [CIDA] minister, he or she comes up with an emphasis on gender, on hunger or on children. You have a program where it takes years to develop a project. A new minister comes in and says, “Okay, I want to focus on gender.” He or she does not say, “In five years we will have many gender programs.” They want to see them right now. The constant change in direction is destroying the capability of that agency. The minister for transportation never arrives and says, “Let us rip up the roads. We will have just railways to move people.”

*Mr. Peter R. Kieran, President, CPCS Transcom*¹³⁸

CIDA has developed a reputation as one of the slowest bilateral aid agencies in the world. We have more checklists, forms, studies, consultancies and evaluations than any other donor I know. We are pathologically risk averse.

*Mr. Ian Smillie, Research Coordinator, Partnership Africa Canada*¹³⁹

Having said that, yes, our aid has not always hit the nail on the head. There is no question about that.

*Ms. Barbara Brown, Director General, West and Central Africa,
CIDA*¹⁴⁰

As we speak, Canada has spread its development assistance across the African continent with programming of some sort in 46 of Africa’s 53 countries, even if 75% of country-to-country disbursements are directed to 25 countries. This tendency to spread our assistance thinly across the continent makes little sense to me, either from the walking the NEPAD talk perspective or in terms of making our investments count. For instance, even in Ghana, one of our most significant African development partners, where President Kufuor is indeed walking that talk, Canada only ranks seventh among principal donors.

*Mr. Robert Fowler, Personal Representative
of the Prime Minister for Africa*¹⁴¹

¹³⁸ *Evidence*, 10 May 2005, 38th Parliament.

¹³⁹ *Ibid.*

¹⁴⁰ *Evidence*, 22 November 2006, 39th Parliament.

¹⁴¹ *Evidence*, 30 May 2006, 39th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

We believe that the federal government should immediately review the future existence of the Canadian International Development Agency (CIDA), given that it has not made an effective foreign aid difference and that it is a costly aid agency. Since CIDA's inception in 1968, the agency has spent \$12.4 billion on Sub-Saharan Africa. (See Appendix IV)

In the course of its hearings, the Committee heard many criticisms of CIDA. Indeed, several important structural adjustments to Canada's aid program were proposed to the Committee by several witnesses including Danielle Goldfarb,¹⁴² then of the C.D. Howe Institute, and need to be given serious consideration. These include:

- Increase the proportion of Canadian personnel deployed in the field and the resources of Canadian embassies so as to increase the effectiveness of Canadian aid, making aid programs more responsive to changes in local conditions and priorities, ensuring more direct oversight of aid spending, improving coordination with other aid agencies and local actors in the region, and improving overall Canadian knowledge of recipient countries. Approximately 50% of Danish personnel, 50% of the United Kingdom's development personnel, and approximately 50% of Dutch personnel are based overseas. By contrast, 81% of CIDA staff are based at headquarters in Ottawa.
- Decentralize decision-making authority from headquarters to the field. CIDA field staff have little authority to design, implement, or manage projects. Thus, CIDA as a top-heavy agency is inflexible and unresponsive, negating the two key advantages that bilateral aid agencies have over multilateral agencies (i.e., the World Bank). As one CIDA official working in Africa told the Committee: "My authority is \$50,000, but my colleague in DFID [U.K. Department for International Development] has authority for 7.5 million pounds." This combined with delays in our funding "makes it seem like we're not a player." Denmark has decentralized decision-making considerably to its embassies, which operate with five year spending plans. Similarly, the Netherlands' embassies receive forecasting for three years, but receive funding based on their Annual Plan, which has been submitted to Parliament for approval.

¹⁴² *Evidence*, 21 June 2006, 39th Parliament.

- Hasten the delivery of our development assistance and deployment of staff to field operations. We heard that the current allocation of our aid funds, following approval from headquarters, is too slow and cumbersome, reducing its effectiveness. In many cases, the original priorities and needs on the ground have changed by the time of the funds' arrival. This would be improved by an active decentralization program, the simplification and streamlining of procurement and reporting requirements, and greater alignment with local initiatives and government strategies.
- Strengthen this country's research on aid to improve aid quality and increase the amount of debate and feedback on the effectiveness of aid.
- Concentrate aid on a small number of countries. Canada has attempted to do too much in too many countries — thus, our aid in each recipient country has little impact. Canada's share of bilateral aid is no greater than 10% of total bilateral aid flows to any of our recipient countries. In Senegal, Canadian bilateral aid accounts for 6% of that country's total bilateral assistance, in Kenya it is 3%.¹⁴³ As Ms. Goldfarb informed the Committee: "This is problematic because the dispersion spreads CIDA's managerial expertise thinly across many recipients. It means Canada is an insignificant donor." Canada has identified 14 partner countries in Africa from a total list of 25 development partners. However, the economically and strategically important Nigeria is not included on the list. Moreover, despite this list of "partner countries," Canada in fact gave aid to 161 countries in 2003-2004.¹⁴⁴ By contrast, Norway focuses the bulk of its aid on 7 main countries.
- Target key sectors. Canada has attempted to do too much in too many sectors and these sectoral priorities have changed too often over the years. By contrast, the Netherlands focuses on two to three sector priorities in each recipient country. Canada could focus its assistance of three principal sectors:

¹⁴³ Danielle Goldfarb and Stephen Tapp, "How Canada Can Improve its Development Aid: Lessons from Other Aid Agencies," *C.D. Howe Institute Commentary*, No. 232, April 2006, p. 7.

¹⁴⁴ Goldfarb and Tapp, "How Canada Can Improve its Development Aid," April 2006, p. 9.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

- governance/democratization initiatives, private sector development, and pro-growth programs.
- Provide more consistency and clout at the ministerial level. CIDA's minister has changed 11 times since 1989 and traditionally the minister responsible for CIDA has not been a high profile member of the Cabinet.
 - Harmonize development assistance and programs with other donors.
 - Consult with the Canadian Parliament to encourage debate, increase the oversight and transparency of our development assistance, and reduce its opaque culture. This should include the presentation of an annual report documenting Canadian development assistance, with comprehensive statistical information — policy priorities and rationale, inputs, performance of recipient countries, evaluation of programs, and results to date. For example, in Denmark, the Minister is required to appear before the Danish Parliament's Foreign Affairs Committee to defend and receive approval for the selection of recipient countries.
 - Untie Canadian aid. Roughly 43% of Canada's aid is tied, in line with the OECD average but well below the figures for the world's leading aid agencies. Tying causes procurement costs to go up and slows down aid. This practice should be avoided whenever possible.

The organization of Canada's federal government departments and agencies that deal with Africa has been unable to develop and implement a coherent foreign policy in Africa. Therefore, the Committee believes that the only option that will best ensure this international policy coherence, increase our profile and engagement in Africa, and maximize our effectiveness in terms of commercial, diplomatic, trade, and development relations with African countries involves reorganizing the machinery of our government.

During its fact-finding visit to European aid agencies, the Committee learned of two main models for governmental organization of international assistance programs: those of Denmark and the Netherlands, and that of the United Kingdom's Department for International

Development (DFID). The Danish and Dutch model, whose aid agencies have budgets more comparable to that of Canada, integrates development work within the overall umbrella of the foreign affairs ministry in order to strengthen policy coherence and maximize the results from and effectiveness of aid and diplomatic inputs, recognizing the interrelated components of many international policies.

By contrast, DFID is a powerful autonomous government department within the U.K. government, with substantial policy clout, decision-making authority, agenda-setting ability, and financial resources. Often, DFID, led by a high-ranking minister within Cabinet, plays a major role in setting the direction of the U.K.'s international engagement, rather than existing at the receiving end of policies and strategic priorities that have been set by other government departments and agencies. This organizational structure, resources, and policy influence has led many commentators, specifically the OECD Development Assistance Committee (DAC), to conclude that: "The U.K. is currently seen by many aid practitioners and donors as one of the bilateral models for today's evolving world of development co-operation."¹⁴⁵

Canada's aid agency is also set apart from its foreign affairs ministry, but without the same results as have been achieved by the Department for International Development in the United Kingdom. In contrast to the leading DFID, CIDA has a very poor record in delivering the advantages that are associated with having an autonomous aid agency and well-funded bilateral aid programs. Indeed, according to David Morrison, CIDA has often been characterized as a "policy-taker" rather than a "policy-maker."¹⁴⁶ And as Danielle Goldfarb told the Committee: "CIDA has 1,500 full-time employees. That number is far in excess of the other agencies that

¹⁴⁵ OECD DAC, "United Kingdom (2006), DAC Peer Review: Main Findings and Recommendations," www.oecd.org/document/43/0,2340,en_2649_33721_36881515_1_1_1_1,00.html. The report continues: "The institutional core of the system is DFID, which has both ministerial (policy and government leadership) and agency (aid delivery, technical expertise) functions. Because it is clearly designated the lead department for combating international poverty, DFID enjoys a well defined, unambiguous relationship with other departments in this area. This permits a unified government approach and coherent policy direction around DFID leadership. DFID knowledge allows it a position of interdepartmental leadership and has raised the profile of development co-operation."

¹⁴⁶ David R. Morrison, *Aid and Ebb Tide: A History of CIDA and Canadian Development Assistance*. Wilfrid Laurier University Press, Waterloo: 1998, p. 7.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

manage aid budgets of similar size [...] . One would think if there is a large field presence perhaps high administrative costs would be understandable, but we have high administrative costs without a large field presence.” Also, CIDA does not generate substantial policy research and dialogue. By contrast, “Denmark, Sweden and the Netherlands also invest heavily in research and draw heavily on external resources for feedback and input.”¹⁴⁷

Chiefly, an effective bilateral aid agency should be flexible and responsive, intimately engaged with the implementation of its programs on the ground and oversight of its spending. It should work in direct consultation with recipient governments and local actors. Policy priorities should be targeted and policy objectives, in terms of what we are trying to achieve as a country, should be clear and aligned with our overall foreign policy priorities. An effective bilateral aid agency should focus principally on delivering results, with transparent evaluation of all programs and spending. It should focus on countries and sectors where it is clear our money can make a difference and achieve results. Canada’s international assistance should be world class.

Overall, our aid programs, spending, and priorities should not be a poorly-understood mystery. This state of affairs has been exacerbated by the lack of a properly-defined mandate for CIDA. Interestingly, the International Development Research Centre (IDRC), another federal development organization, was setup under its own act of Parliament in 1970. In 2004/2005 the IDRC’s budget was just over \$120 million. On the other hand, CIDA, essentially established by a paragraph in the *Department of Foreign Affairs and International Trade Act*, had a budget in the same year of roughly \$3.1 billion. CIDA has no well-defined and clear mandate with objectives that can be monitored by parliamentarians.

However, it is apparent to the Committee that CIDA has never been given such resources, autonomy, or policy clout, which has negated the original (1968) rationale for setting Canadian development assistance apart from its foreign ministry. We have reached the conclusion that, despite the dedication and hard work of CIDA employees over the years, the Government of Canada should undertake an immediate review of whether or not the Canadian International Development Agency (CIDA) should be relieved of its duties. The experiment of

¹⁴⁷ *Evidence*, 21 June 2006, 39th Parliament.

creating an independent aid agency to strengthen Canadian development assistance has not produced the intended results.

RECOMMENDATION

Given the failure of the Canadian International Development Agency (CIDA) in Africa over the past 38 years to make an effective foreign aid difference, the Government of Canada should conduct an immediate review of whether or not this organization should continue to exist in its present non-statutory form. If it is to be abolished, necessary Canadian development staff and decision-making authority should be transferred to Department of Foreign Affairs and Internal Trade. If it is to be retained, CIDA should be given a statutory mandate incorporating clear objectives against which the performance of the agency can be monitored by the Parliament of Canada.

3. Shift All Canadian Development Work in Africa Into An Africa Office

To date, Canada's engagement with Africa has been ad hoc, inconsistent, too focused on aid, and poorly structured. Successive Canadian governments and ministers have made strongly worded proclamations regarding the plight of Africa, whether or not it was the HIV/AIDS crisis or endemic poverty, and the important role of Canada therein. However, there has been no mechanism within the federal government to follow through on these commitments, to evaluate the performance of our agencies, departments and programs in Africa, or to ask the difficult but necessary questions such as: why has not a single pill reached HIV/AIDS sufferers in Africa despite Canadian legislation intended to deliver exactly that result?

Africa has to be a central focus of our foreign policy and our African policy must be made more robust. In the Committee's view, the federal government should create a new Africa Office that would oversee the implementation of a coherent Canadian foreign policy in Africa and be the conduit for all Canadian government relations with the African continent.

This Africa Office would combine the existing Africa Bureau of the Department of Foreign Affairs, the International Trade staff of DFAIT that deal with Canada's commercial relations with Sub-Saharan Africa, the CIDA staff dealing with development in Sub-Saharan Africa, and potentially security attachés from the Department of National Defence to form a comprehensive and cohesive "one-stop" group of staff dealing with that region of the world.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

We believe that a restructuring of this kind would ensure that Canadian policy on Africa will be developed and executed in a more cohesive and effective manner. For this to truly happen, the new Africa Office will need to have a high profile, strong Cabinet representation and significant resources, and it will need to be proactive in rendering effective aid and especially in fostering increased commercial relations with Africa. Notably, it will need to have its decision-making authority, including the authority over the distribution of financial resources, decentralized to Canadian missions on the continent. Other countries (e.g., Denmark, Netherlands) have successfully undertaken these structural changes. There is no reason why they cannot be successfully implemented in Canada as well.

The Committee was impressed by its visit to Copenhagen, where Danish government procedures on aid are far more transparent than those in Canada. The Africa Office will make it easier for government, Parliamentarians and non-government actors to know where to look to scrutinize policy and find information concerning Canadian policies in Africa.

RECOMMENDATION

The Government of Canada should revitalize its approach to Africa by:

- **Establishing a new Africa Office. The Africa Office would incorporate all international development, international trade and foreign affairs personnel dealing with the African continent and would consult closely with the Department of National Defence. This new office would come under the responsibility of a newly designated Minister for International Development who should be given full status in the federal Cabinet. If Canadian International Development Agency (CIDA) personnel are to be shifted to the Department of Foreign Affairs and International Trade (DFAIT), an Africa Office with a strong mandate should be formed. If CIDA is to be given its own act of Parliament, an Africa Office should be included in this legislation;**
- **Providing this Africa Office with a robust trade/aid/security/diplomacy mandate that is established by a legislative framework and that contains clear objectives to be monitored by the Parliament of Canada. The mandate and performance of this office should be reviewed every five years; and**
- **Decentralizing a minimum of 80% of the staff within the new Africa Office and decision-making authority, including the distribution of financial resources, to Canadian missions in the field in Africa.**

4. Dramatically Change its Approach to Development Assistance

I certainly agree that a number of Canadians have expressed an elevated level of concern about the delivery of funding to the designated or intended recipient. In many cases, money donated either by private citizens or corporations or designated by governments does not always make it to the intended recipient because it is diverted and, in some cases, deliberately used by governments for another purpose. That has, in some cases, shaken the confidence of donors at all levels.

*Hon. Peter MacKay, P.C., M.P., Minister of Foreign Affairs*¹⁴⁸

I would be much more hard nosed and say, “Sorry: you stick with the program or you are no longer our privileged partners.”

*Mr. Robert Fowler, Personal Representative
of the Prime Minister for Africa*¹⁴⁹

Canada is currently focusing to a large extent on education and the grassroots economy. We would like to see other avenues explored, such as infrastructure projects, since infrastructure supports development. The building of roads and railways open up markets and encourage businesses to locate to Senegal.

*His Excellency Amadou Diallo, Ambassador to Canada,
Embassy of the Republic of Senegal*¹⁵⁰

Canada has scattered small programs on a short-term basis throughout several countries and then pulled out. In the end, we get minimal results despite significant investments. If Canada reduces the number of countries and focuses on principles of governance, human rights, and democracy, et cetera, we could not object.

*Mr. Yvon Bernier, Senior Director, Africa Region,
Développement international Desjardins*¹⁵¹

If we look at the intervention sectors that have been the focus of aid or international development over the past 20 years, perhaps too much attention has been paid to social sectors such as education and health.

*Mr. Michel Lemelin, Director General, East, the Horn and Southern
Africa, CIDA*¹⁵²

¹⁴⁸ *Evidence*, 16 May 2006, 39th Parliament.

¹⁴⁹ *Evidence*, 30 May 2006, 39th Parliament.

¹⁵⁰ *Evidence*, 23 March 2005, 38th Parliament.

¹⁵¹ *Evidence*, 13 April 2005, 38th Parliament.

¹⁵² *Evidence*, 2 November 2005, 38th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

Canada should remain a generous and effective provider of humanitarian assistance, but this assistance should not in any way be confused with a long-term, sustained, focused development strategy designed to assist responsible governments in changing the overall circumstances of their people.

*Mr. Robert Fowler, Personal Representative
of the Prime Minister for Africa*¹⁵³

There were 22 people shot today. We thought that Ethiopia was doing well enough because this is their third general election. Throughout the election, things were quite calm but after the results came out, the problems began.

[Ethiopia is one of Canada's 25 development partners]

*Mr. Michel Lemelin, Director General, East, the Horn and Southern
Africa, CIDA*¹⁵⁴

Given our sceptical views on development aid in general, but conscious that Canada would be viewed as an international pariah if we eliminated all bilateral development assistance to Africa, we are of the view that our bilateral aid should be much more targeted on a reduced list of individual countries (and, whenever appropriate, regions) than it currently is. Presently, Canada provides aid to a full 46 of the 53 African countries in some form or other. To disperse our assistance this way, thereby minimizing the impact that Canada has in any of its recipient countries, makes little sense.

In 2003, the federal government announced that it would target a mere 6 “countries of concentration” in Africa. However, this number shot upwards owing to special pleading on the part of those countries left off the list.

CIDA is now planning to devote, by 2010, at least two-thirds of its bilateral (i.e., country-to-country) aid to 25 developing countries that display a high level of poverty (average income levels of under US\$1,000 per year), possess the ability to absorb and use aid effectively and have sufficient existing Canadian aid presence in a given country to achieve value-added in its assistance efforts. The other one-third would go to countries of strategic importance; to countries where Canada can continue to make a difference; and to those

¹⁵³ *Evidence*, 30 May 2006, 39th Parliament.

¹⁵⁴ *Evidence*, 2 November 2005, 38th Parliament.

displaying instability. In Africa, Nigeria, the Democratic Republic of Congo (DRC) and Sudan have been particularly important priorities for CIDA. This, of course, does not include the over 40% of Canada's ODA that is channelled through multilateral organizations.

Fourteen African countries, up from the six on the previous list of priority countries, are now on the new CIDA country-focus list. These include Benin, Burkina Faso, Cameroon, Ethiopia, Ghana, Kenya, Malawi, Mali, Mozambique, Niger, Rwanda, Senegal, Tanzania, and Zambia.

Interestingly, most of the countries on the list display relatively limited economic power, especially when compared to Nigeria and the economic potential that the DRC displays. During our fact-finding mission to Africa, we heard varying accounts of the need to have Nigeria, already designated as a country "of regional significance," as a focus country. One view was that it received too little aid and that it is too important not to be on the list. An offsetting view was that what Nigerians wanted from Canada was not more aid but rather trade and investment.

We have already observed that defining criteria with which to choose aid recipients is hard to do. The Committee has also already stated that aid is more effective in countries with better policies and institutions. In keeping with our strongly held view that it is the private sector and investment that are the driving force for economic growth and development, we are of the view that Canadian foreign aid should be primarily targeted at those countries making a real effort to achieve economic growth, build viable private sectors and improve governance. Simply put, Canada should support "good performers" that are pursuing sound policies.

We believe that CIDA's current eligibility list is bloated and illogical. Countries should be cut off from Canadian assistance if they do not meet the above-mentioned criteria. Moreover, aid should be focused on a single-digit number of African countries. The Committee was told that Canada's aid is still the most geographically dispersed of the donor countries (150 countries) and that most donors concentrate their aid in a few major recipient countries or regions.

In terms of priority aid sectors, the federal government is currently focusing its resources on five: governance; health; basic education; private sector development; and

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

environmental sustainability with gender as a cross-cutting theme. In 2004-2005, agriculture received 10% and the private sector only 3.1% of total bilateral aid to Sub-Saharan Africa, whereas health and education obtained 43.5% of disbursements.

We believe that this sectoral distribution of spending is totally unacceptable. Over the past twenty years, aid and development programming has focused heavily on social expenditures in health and education with not enough attention being devoted to industrial development that can lead to economic and employment opportunities.

The key to achieving results in Africa will be to strengthen existing private sector development programs. Already, two investment-related areas have been identified (by CIDA): assistance to aid Africa in the building of an adequate and appropriate enabling environment for investment; and the facilitation of entrepreneurship and small-business development.

The Committee also heard of the need for Canada to invest in Africa's infrastructure and microfinance facilities. Regarding the former, Canada is currently investing in multilateral infrastructure programs (e.g., the World Bank, Africa Infrastructure Consortium)¹⁵⁵ but more must be done. In addition, Canadian cooperatives and credit unions (e.g., Desjardins International) have been successful in building credit union networks and micro-finance facilities in different West African countries. The recent awarding of the Nobel Peace Prize to Muhammad Yunus, the founder of the Grameen Bank that is dedicated to issuing small, unsecured business loans to the very poor, speaks to the importance of developing micro-finance and the real ability of these programs to achieve results for poor people on the ground.

The Committee has already indicated its support for more Canadian funding of productive economic sectors in Africa as well as of infrastructure. Canada should dramatically change its approach to foreign aid by increasing the share of its bilateral ODA allocated to help Africa generate job-creating investment opportunities, to help with technical assistance, to build African trade capacity and generally to support their efforts in developing their private sectors.

¹⁵⁵ Canadian disbursements are being made in conjunction with the private sector in Mozambique, Mali, Tanzania, Ghana and Senegal.

Infrastructure projects, on the other hand, would best be delivered through multilateral channels as these projects tend to be more costly and regional in nature.

With regard to agriculture, the Canadian International Development Agency (CIDA) has begun to rediscover somewhat the importance of this sector to economic development. In its 2003 policy statement, *Promoting Sustainable Development Through Agriculture*, CIDA acknowledged that its own programming had, to some degree, moved away from supporting agriculture, reflecting the international trend toward funding social expenditures. By 2006, Canada was to have increased its investments in agriculture, food security and rural development to an annual total of \$100 million per year.

Out of the total Canadian ODA budget, \$100 million represents a very small amount. The Committee is of the view that the share of Canadian assistance destined for this vital part of the African economy should be given a substantial boost.¹⁵⁶ Efforts should be made to raise agricultural productivity and to construct new rural infrastructure, primarily roads.

The Canadian government, through CIDA, has placed governance as a top priority in its aid programs. This is a wise decision given that good governance is a key factor in economic development.

In 2003-2004, the aid agency allocated almost 18% in this area to support democracy, fair elections and parliaments; a fair and impartial judiciary, mechanisms to protect and respect human rights, an engaged and effective civil society, an effective and transparent public sector and stable and reliable security systems to protect people and resolve conflict fairly and peacefully.

We encourage African efforts to improve governance. Especially important is the need to help Africa put in place effective institutions, such as a free media and independent judiciary. Canada should provide technical assistance and focus its efforts on building political, economic, and legal institutions and strengthening the capacity of those institutions in its partner countries. This includes assistance with elections, public sector reforms, public management reforms, the

¹⁵⁶ Agriculture on average makes up 60% of Africa's private sector.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

provision of legal and judicial expertise, assistance with financial audits, assistance with the reform and functioning of the Central Bank, tax reforms, and improving parliamentary engagement and oversight.

In terms of specific support for improvements in governance and the functioning of the public sector, Canada, Denmark and other like-minded countries could earmark support for legitimately elected recipient countries to build and strengthen parliamentary pension systems. A functioning pension system would reduce incentives for corruption and contribute to the overall functioning of government. As Dr. Mohan Kaul of the Commonwealth Business Council told the Committee in London: “There are no pension systems in these countries. Therefore, if you have nothing when you leave office ... you try to provide for yourself while you’re in office.”¹⁵⁷

Corruption is more complex than in a developed country because of poverty. People who support leaders in attaining office are often rewarded through the receipt of a direct benefit.

The third area to consider involves the delivery of aid. In order to strengthen aid effectiveness, CIDA is reorienting its bilateral programming in order to participate in more comprehensive, integrated and donor-coordinated, but recipient-country led programs. The agency is currently supporting or developing 50 program-based approaches in 23 countries, involving either pooled funding or direct budget support to the recipient government (e.g., the budget support program to strengthen the Ghanaian agricultural sector).

Budget support means writing a cheque to the recipient country. The Committee does not like this idea. It is as if CIDA does not know what else to do, so they give the recipient government the money, hoping they will fix the problems. Payments should be conditional on observable progress having been attained. However, it seems to us that it is impossible to monitor government-to-government transfers that have been injected directly into the national treasury of a recipient country. In the case of Ethiopia, Canada writes a cheque to the Prime Minister (whom we met in Addis Ababa, even though we were advised not to go because all of the rioting) and then he turns around and puts these rioters in jail.

¹⁵⁷ Meeting, London, United Kingdom, 18 October 2006.

CIDA will not provide budgetary support in all countries because not all aid recipients are in a position to use the assistance effectively. Those that have been targeted are considered to have shown a stronger commitment to sound development policies. Unfortunately, governments fail often in Africa and there is significant concern about current donor agency trends towards budgetary support of countries that are not transparent and accountable.

We share this concern, despite its current popularity, and would prefer more use of partnerships with the private sector in order to transfer know-how and expertise and not just money. The Canadian private sector has recently been neglected in aid program design and we believe that it should be taking more of a direct development responsibility in Africa. According to one witness, the Canadian aid program has gone from a development program to a charity organization dispensing money to well deserving recipients. We believe that Canada should minimize the amount of government-to-government assistance that it provides.

As a final point, the Committee is also of the opinion that Canada's food aid programs, provided largely through the World Food Program but also through Canadian non-governmental organizations, should be reviewed. While visiting a Food for Work project in the Tigray province of Northern Ethiopia, the Committee heard that food aid can be the "kiss of death" in that it can distort local markets.¹⁵⁸

It also bears mentioning that the trend in food aid throughout the world is for it to be purchased locally. Requiring food aid to be sourced in the donor country dramatically increases the costs of delivering food aid to the needy. While the Government of Canada should be applauded for recently undertaking to untie its food aid to least developed and lower income developing countries to the 50% mark, we would encourage the government to go even further and untie it fully.

There are two key advantages of such a move. First, aid agencies could purchase all of the food that they require from African suppliers instead of relying on grain from Saskatchewan, thereby supporting farmers on that continent. In the case of the 2004 drought in the northern part of Ethiopia, an area of intermittent rainfall, these agencies should have been able to purchase

¹⁵⁸ Meeting, Mekele, Ethiopia, 8 October 2005.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

food from southern Ethiopian farmers, who were in a surplus position. Ethiopia produces a surplus of grain in the country yet is unable to transport it to northern Ethiopia where it is needed. If transporting food within Ethiopia — and elsewhere in sub-Saharan Africa — could be done in a cost-effective manner, then untying food aid could also mean that Canada would provide more food aid per dollar spent.

Second, additional untying would further buttress Canada's credibility on the food aid issue at the WTO. In particular, Canada is pushing hard for disciplines in trade-distorting U.S. food aid practices, which involve food aid being (a) almost entirely procured from American producers; (b) provided in the form of low-interest loans; and (c) tied to commercial transactions between the United States and the aid recipient country.

RECOMMENDATION

The Government of Canada should completely redesign its foreign aid program in Africa by:

- **Concentrating all bilateral development aid on countries in Sub-Saharan Africa that are aggressively undertaking economic and political reforms to (a) improve governance; (b) develop their private sectors and create a favourable investment climate; and (c) realize their economic growth and employment prospects. The government should develop precise, new aid-qualifying criteria based on the above list of preconditions, and with the help of internationally recognized indices of country performance, appropriately revise the Canadian International Development Agency's existing list of focus countries. Any country that does not satisfy these criteria, or that graduates from aid-recipient status, should receive zero official development assistance from Canada;**
- **Focusing its aid on economic development, in order to achieve economic advancement in support of social progress. Aid should be provided in support of pro-growth and job-creating activities led by the private sector, including technical assistance and training, skills development, and technology transfers. The raising of agricultural productivity and the construction of new rural infrastructure, especially roads, should also be an integral part of this aid effort;**
- **Expanding government support of privately delivered micro-finance services;**
- **Delivering Canadian bilateral aid to Africa in partnership with the private sector and civil society groups in Africa as much as possible, thereby minimizing the less desirable approach of having the Canadian government provide direct budgetary support to African governments;**

- **Harmonizing the delivery of Canadian assistance and providing this aid jointly with other donors as much as possible;**
- **Totally untying Canadian aid;**
- **Incorporating the above aid-qualifying criteria and aid approaches into the mandate of the Africa Office; and**
- **Undertaking a review of the appropriateness of Canadian food aid to Africa, provided both bilaterally and through the World Food Program.**

5. Seek Out Canadian Commercial Opportunities in Africa

Engaging Africa's private sector and facilitating new investment in the region is challenging. The perception of risk is still high and identifying worthy projects can be difficult. Nevertheless, it is apparent that African entrepreneurs and African government officials increasingly view enhanced private sector activity as vital to Africa's development. It is critical as a means of job creation, skills enhancement, technology acquisition, income generation and integrating Africa into the global economy.

*Mr. James Harmon, Chairman, Commission
on Capital Flows to Africa¹⁵⁹*

Even though 80% of the investment in Africa is domestic in nature, the foreign investment that the continent does receive is quite important. For its part, Canada is one of the largest non-African investors in Africa, with its investment valued at approximately \$3.0 billion in 2005. Most of this investment was in mining and oil, with mining by far the dominant sector among all industrial sectors in terms of Canadian private investment on the continent.

To help Canadian businesses invest more in Africa, the federal government recently launched the \$100 million Canada Investment Fund for Africa (CIFA). This fund is a joint public-private sector initiative designed to provide risk capital for private investments in African that generate economic growth. In essence, CIFA leverages private sector investment in support of Africa's development so that this \$100 million in public investment can stimulate an additional equivalent amount from the private sector. The fund is a response to the needs

¹⁵⁹ *Evidence*, 13 April 2005, 38th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

expressed by Africans to lower poverty through investment and economic growth, and is part of CIDA's \$500-million Canada Fund for Africa.

Also worth mentioning is CIDA's Industrial Cooperation Program (or CIDA Inc.). This program looks to create joint ventures and joint investment opportunities. It draws on the Canadian private sector when it is pursuing new business opportunities, and it creates manufacturing and tertiary types of businesses. However, CIDA will not take on an investment position; instead, it will accompany firms and provide funds for training.

The Canadian Council of Africa (CCA), a group promoting greater business interaction with Africa, would like to see government resources reallocated to enable Canadian firms to become more involved in African development. The Council aims to increase access of Canadian companies to funds destined for such development. For example, the government could help Canadian firms out in conducting of feasibility studies.

The Council would like to see Canadian companies work with their African counterparts, thus changing the current trend of the federal government increasingly providing aid on a government-to-government basis. The Committee heard that the federal government distributed a full 41% of its aid to governments in 2003, with only 6% of projects funded by CIDA being implemented by private companies (down from 40% in 1999).

It is clear that Canada's aid agency shows little appetite for working with the private sector in Canada. Most assistance is provided either directly to the recipient country or to multilateral agencies. Yet Africa is hungry for what Canadian business has to offer: improving its infrastructure, developing its capacity to process natural resources and agricultural products, and strengthening its ability to educate its people and get them more familiar with information technologies.

At the same time, Canada should assume a leadership role in promoting the social responsibility that our firms must need to demonstrate when they operate overseas. The development of codes of conduct and the independent monitoring of corporate activities are useful tools to further this objective.

We believe that Canada should play a leading role on the African continent by developing additional programs to help Canadian companies wishing to operate there. Direct support for private sector development needs to be strengthened. Canadian embassies need more dollars and people, they should be embedded with business, they should be lobbying for Canadian interests abroad — they should open the door, facilitate business and be more aggressive.

The CCA, together with the Africa Working Group of involved government agencies,¹⁶⁰ hosted round table sessions in September 2005 on the future of Canada's investment and trade agenda for Africa. The key result of these sessions was the formulation of recommendations designed to achieve a comprehensive, integrated strategy for Africa, a copy of which was provided to the Committee in response to a request.¹⁶¹ Drawing largely from these, the Committee offers the following recommendations that we believe are worthy of future consideration by the Government of Canada in the development of any international business strategy on Africa.

RECOMMENDATION

The Government of Canada should enhance Canada's commercial profile in Africa by:

- **Establishing additional embassies and High Commissions in Africa and inserting more Trade Commissioners and Ambassadors with a commercial background in them to reduce the overwhelming existing focus on aid;**
- **Conducting a greater number of investment and trade missions in Africa;**
- **Implementing Foreign Investment Protection Agreements and Double Taxation Treaties in key African countries;**
- **Identifying African business groups seeking to enhance ties with Canadian business groups;**

¹⁶⁰ This working group consists of Canadian International Development Agency, International Trade Canada, Natural Resources Canada, Export Development Corporation, and Canadian Commercial Corporation.

¹⁶¹ Canadian Council on Africa and the Working Group on Africa, Dialogue on Africa-Focus on Investment and Trade: A Summary of Round Table Discussions, 8 September 2005, pp. 3-4.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

- **Increasing engagement with international business networks operating in Africa, especially the Commonwealth Business Council; and**
- **Ensuring that Canadian companies operating in Africa follow ethical business practices.**

RECOMMENDATION

The Government of Canada should increase Canadian awareness of commercial opportunities in Africa and provide Canadian businesses with improved services, by:

- **Helping to create a more positive general impression of Africa;**
- **Publicizing the presence and mandate of the Canada Investment Fund for Africa;**
- **Providing Canadian firms with better intelligence on existing and upcoming projects in Africa;**
- **Creating a new Program For Export Market Development for Africa; and**
- **Providing Canadian businesses with improved risk management and financing tools, largely through more proactive and risk tolerant Export Development Corporation support to private-sector business activity in Africa.**

6. Resolve Visa Issues for African Business and Political Leaders

At the social level, Nigerians are experiencing considerable difficulties in obtaining Canadian entry visas. Regrettably, my mission's prompt issuance of visas to Canadians is not being reciprocated. The situation is not helped by the relocation to Accra, Ghana, of the processing of immigrant visas to Nigerians, rather than the retention of this service in Lagos. I have made my concerns on these matters known to the Department of Foreign Affairs, but no improvement seems to have taken place so far.

*His Excellency Olufemi Oyewale George, High Commissioner,
High Commission for the Federal Republic of Nigeria¹⁶²*

Our members tell us horror stories of the difficulties African business people experience when they come to do business in Canada. I am talking about people that are visiting companies, colleges and universities and trying to do business.

¹⁶² *Evidence*, 23 February 2005, 38th Parliament.

*Mr. Lucien Bradet, President and CEO, Canadian Council on Africa*¹⁶³

This Committee was made aware of the difficulties of obtaining Canadian visas when we did our study on Russia. We heard many complaints about how difficult it was to get a Canadian visa.

This is a problem in Africa as well, as it is in yet other parts of the world. During its hearings in Ottawa, the Democratic Republic of Congo and Nigeria, the Committee was again reminded of the issue of visas. Two key problems were mentioned: visa refusals (and delays in obtaining visas) for Africans wishing to undertake official and business travel to Canada, and a high rate of refusal of Nigerian student applications for studying in Canada.

On the first point, the Committee heard evidence that African leaders were having a hard time coming to Canada. Congolese parliamentarians complained about the difficulty of Ministers, parliamentarians and senior officials obtaining visas for official travel to Canada. Visa applications have to first go to Abidjan, Côte D'Ivoire to be processed, and there is a high rate of refusal.

This sentiment was shared by N.U.O. Wadibia Anyanwu, the Nigerian Permanent Secretary of Foreign Affairs, whom we met in Abuja, who expressed irritation at Canada's high rate of visa refusal for travellers from that country (especially for official travel), as well as what they thought were overly long processing times.¹⁶⁴ We were told in Nigeria that visas are a constant source of friction and they are seriously hampering people-to-people exchanges. As mentioned above, Canada's immigration process is quite strict. The other key problem is that there is a very high incidence of fraud and thus a very high rate of rejection.

In addressing these concerns, senior officials of Citizenship and Immigration Canada (CIC) informed us of the intensive screening process that must be carried out in the case of temporary visa requests from those African countries that have had a history of war crimes and crimes against humanity. Canadian law (i.e., the provisions of the *Immigration and Refugee Protection Act*) prohibits any individual who was a senior member of a regime committing these

¹⁶³ *Evidence*, 7 June 2006, 39th Parliament.

¹⁶⁴ Meeting, Abuja, Ethiopia, 18 October 2005.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

crimes from entering this country, with this law the toughest in the world in this respect. The question then becomes, are we excluding ourselves from peace efforts because we refuse to have any contacts with the principal actors in these countries, who may be the future political leaders of the countries in question?

Visa difficulties are not just an issue for African political leaders. Arguably of greater significance, visa problems are hampering visits to Canada by African business people and potential investors. African business people and investors are having a hard time obtaining visas to visit or to immigrate to Canada, with this situation hampering commercial relations between Canada and Africa.

The Committee was told that there are only five visa offices in all of sub-Saharan Africa: Nigeria, Kenya, Côte d'Ivoire, Ghana and South Africa. That is highly unfortunate. As well, the approval rate for temporary resident visas in sub-Saharan Africa is 71% as opposed to 81% for the world as a whole.

Other criticisms are that CIC visa regulations are overly complex and that Canada's review process is considerably stricter than that of other countries. More speed, predictability, constancy, access, and expertise in the whole visa process are being called for so that Canada's competitiveness in Africa can be enhanced.

Regarding students wishing to access Canadian educational institutions, the Committee was told in Nigeria that 80% of student applications from Nigerian students are rejected. CIC officials informed us that the problem seems to be concentrated in non-post-secondary students; for post-secondary institutions, the acceptance rate is in the order of 75-80%.

The gist of the problem is that a full half of all student visa applications incorporated fraudulent documents or other types of misrepresentation — these students were misrepresenting their financial ability to pay for their studies and/or they were misrepresenting their fraudulent academic record. These students did not meet the universally held criteria for assessing the entry of students into the country: that they are genuine students who will leave Canada after their period of study and that they have the funds to pay for their studies. Canada wants to encourage these students to come but also to return to their home country upon completion of their studies.

RECOMMENDATION

The Government of Canada should improve its visa issuing system so as to facilitate visits by African business people and political leaders to Canada.

7. Adjust Canadian Trade Policy on Africa

With respect to Canadian trade involvement with sub-Saharan Africa, we were informed that our commercial relationship with that region is on the rise and that Canada does more business there than in the BRIC (Brazil, Russia, India, China) set of emerging markets. In 2005, the growth in Canadian merchandise exports to sub-Saharan Africa was 13.6% (total exports to Africa in 2005 were \$1.3 billion), second only to the growth in our exports to China. Moreover, we exported more in services (\$458 million in 2003) to that part of Africa than we did to China (\$298 million). On the import side of the equation, merchandise imports from Africa grew at an annual rate of some 20% between 1990 and 2004.¹⁶⁵

We need to do more to advance this economic relationship. Given the slow rate of progress at the WTO, Canada should take additional unilateral action and further increase the access of African countries to the Canadian market. Obviously, Western Europe is the main market for many African products. Nevertheless, under the Least Developed Countries Market Access Initiative, the Government of Canada attempts to strengthen economic growth through trade by providing 34 African countries with duty-free access to the Canadian market for all goods other than a small number of supply managed agricultural products (i.e., egg, dairy and poultry products). The Committee was informed that this policy measure was one of the more far-reaching initiatives of its kind in the world.

The Committee heard that the federal government should extend its least developed country market access initiative to all (i.e., not just the Least Developed Countries) low-income countries in sub-Saharan Africa. Such action would remove the regional trade distortions caused by Canada's provision of duty- and quota-free market access to the Canadian market to certain African countries. Restricting access to Canadian markets for countries such as Kenya makes no

¹⁶⁵ Imports from Canada can be broken down into four categories: oil, mineral and metal products, agricultural commodities, and other products.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

sense. Ghana, Cameroon and ten other low-income countries would also be able to benefit from this unilateral form of trade liberalization.

Canada also attempts to help African countries to become better exporters to this country. The federal government's own trade facilitation office (Trade Facilitation Office Canada) works with these countries to help them have more success in the Canadian market and the Committee was told that more could be done to develop specific programming to encourage LDC exporters to consider Canada as an export market.

The government should also consider offering new trade-development foreign aid programs to help build trade-related technical assistance and capacity-building in Africa. Canada has already provided funding in this area — \$75 million since 2001. We learned first hand at the headquarters of the African Union in Addis Ababa that Canada provides exemplary support for the training of trade negotiators through the efforts of the African Trade Policy Centre. There is also the \$8 million Program for building African Capacity for Trade. However, in general terms more can and should be done in boosting trade capacity.

RECOMMENDATION

The Government of Canada should:

- **Broaden the coverage of its Least Developed Country Market Access initiative to include all low-income countries in sub-Saharan Africa, thereby removing virtually all barriers to imports from qualifying countries in that region; and**
- **Ramp up Canadian assistance devoted to building up trade capacity in African countries and aggressively encourage the international community to enhance its commitments to the Integrated Framework for Trade-Related Technical Assistance to least developed countries.**

As a final point, the Committee has already recommended that Canada increase its commercial representation in Africa. This request was not meant to be taken as a criticism of existing staff at our African embassies; on the contrary, our too few personnel are doing an excellent job and this effort should be praised. However, Canada should increase and expand its presence there and we should make it a priority to boost our commercial representation there.

8. Deal Effectively With HIV/AIDS and Malaria

The blunt fact is that many African states, especially those most affected by HIV/AIDS, are failing, moving backwards or growing poor in terms of key social indicators — some dramatically. Africa, and more particularly Sub-Saharan Africa, suffers from political, economic and health crises, qualitatively and quantitatively worse than any other region.

*Ms. Anne-Marie Bourcier, Director General,
Africa Bureau, DFAIT¹⁶⁶*

Some 180,000 Africans die every month from AIDS, making it the leading cause of death on the continent. It is like a tsunami striking Africa each month. Daily, 11,000 more people are infected, and there are over 11 million children that have been orphaned by AIDS. That number is expected to grow to 40 million by the year 2030. Confronted with these facts, we are able to envision a day when our grandchildren would ask, what did you do when Africa was being devastated by AIDS?

*Mr. Kevin Perkins, Executive Director,
Canada Africa Partnership on AIDS¹⁶⁷*

Much of the support for health initiatives should be delivered multilaterally. The Committee heard that a full 20% of CIDA's budget is dedicated to health initiatives. These include both preventative and curative programs to deal with HIV/AIDS. Canada is helping to prevent more HIV/AIDS infections through education and research, supporting those already infected through treatment and care, and building capacity in developing countries so that they can deal more effectively with the problem.

Between 2000 and 2005, Canada has contributed some \$600 million to the fight against HIV/AIDS, with most of this funding going to sub-Saharan Africa. On top of that, the current federal government has pledged an additional \$250 million for the Global Fund to Fight AIDS, Tuberculosis and Malaria over a three-year period.

On the negative side, we were told that there should be greater coherence in the actions of all federal departments with respect to HIV/AIDS and that this health crisis should become a cross-cutting theme of all aspects of Canada's cooperation and engagement with Africa.

¹⁶⁶ *Evidence*, 8 February, 2005, 38th Parliament.

¹⁶⁷ *Evidence*, 22 February 2005, 38th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

It was also mentioned that the federal government has underestimated the potential of ordinary Canadians to respond to the AIDS crisis in a capacity other than as a taxpayer. To correct this problem, we were told, the government should begin to match private contributions to the fight against HIV/AIDS.

Finally, the Government of Canada was the first in the world to pass legislation (the *Act to amend the Patent Act and the Food and Drugs Act-The Jean Chrétien Pledge to Africa*, which along with regulations established the legal framework for *Canada's Access To Medicines Regime*) that would permit drug companies to provide generic anti-HIV/AIDS (and other) drugs at low cost to African countries in cases of health emergencies. This it did in May 2004, with the associated regulations coming into force in June 2005.

The problem, however, appears to be that this legislation went beyond the WTO compromise that had been arrived at on this issue. For example, the act demands that negotiations take place between brand-name drug firms and the generic producers prior to the federal government issuing what is known as a "compulsory licence" to have the cheaper drug produced. Unfortunately, these negotiations can be difficult and time consuming thereby delaying the issuance of the necessary licences.

Another problem is that the law forces firms to reapply every two years for permission to produce generic copies and requires them to carefully track the number and distribution of pills made under the law. It also permits patent holders to launch legal action if generic firms overcharge or if the pills they make go astray. The generic manufacturers continue to have a number of concerns with the law and this, combined with the fact that developing countries find Canada's program confusing and that the program has not been marketed in these countries, has led to the situation where not one pill has left Canada under the legislation.

Turning to malaria, this disease is such a simple problem to solve. Canada should work to ensure that as many African families are equipped with insecticide-treated mosquito netting and with interior wall spraying of DDT, to guard against malaria infection. As has already been mentioned, this disease is a major problem for African children and can be easily dealt with.

RECOMMENDATION

To improve the Canadian contribution to resolving health crises in Sub-Saharan Africa, the federal government should:

- **Amend Canada's Access to Medicines Regime, including its underlying legislation, to make it more effective in prompting shipments of medications for HIV/AIDS sufferers to Africa;**
- **Consider the direct purchase by Canada of the appropriate retroviral and associated pharmaceuticals, for distribution through reputable non-governmental organizations throughout the Sub-Saharan region; and**
- **Ensure that its Official Development Assistance includes significant investment in inexpensive insecticide-treated mosquito nets and in the spraying of DDT on interior walls of African homes in the low-lying tropical areas where malaria is typically present.**

9. Support Peace and Security Efforts in Africa

The Canadian Forces are especially valued by African nations not only for their professional skills, but also their bilingual capacity and lack of colonial baggage.

*General R.J. (Rick) Hillier, CMM, MSC, CD Chief
of the Defence Staff, National Defence¹⁶⁸*

Simply, we need to develop the African capacity to detect, prevent and resolve conflicts on their continent. [...] It is done through the provision of training and not just peacekeeping training, but general military training to raise the professional standard of African militaries.

*Colonel Denis Thompson, Director, Peacekeeping
Policy, National Defence¹⁶⁹*

The Committee has concluded that Canada's current military involvement in Africa is almost nonexistent. Indeed, in the United Nations October 2006 ranking of peacekeeping contributions, Canada ranked 61st.¹⁷⁰ Canada's Chief of Defence Staff, General Rick Hillier, specified that Canada currently has a total of 65 Canadian Forces personnel serving on

¹⁶⁸ *Evidence*, 26 September 2006, 39th Parliament.

¹⁶⁹ *Evidence*, 8 February 2005, 38th Parliament.

¹⁷⁰ United Nations, Department of Peacekeeping Operations, *Ranking of Military and Policy Contributions to UN Operations*, 31 October 2006, www.un.org/Depts/dpko/dpko/contributors/2006/oct06_2.pdf.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

operations in all of Africa. General Hillier informed the Committee that the 62,500 members of the Canadian Armed Forces are currently stretched to the limit, “tapped out,” facing the demands of military transformation, and “running intense operations in a variety of places — specifically Afghanistan [...] .”¹⁷¹

This Committee does not deny that the Canadian military has many international and domestic obligations. Nevertheless, we firmly believe that while Canada alone cannot provide the decisive contribution to peace and security in Africa, it can provide a very important one. UN peacekeeping missions in Sudan and the Congo involve thousands of troops from a variety of nations that are trying to piece together fragile countries, enforce shaky peace agreements, protect civilians and ensure access to humanitarian relief, and lay the foundation for reconstruction and economic development. We believe that these types of missions should be priorities for our military.

As described earlier in this report, no conflict in Africa has demonstrated a greater need for the implementation of the Canadian-backed idea of the “responsibility to protect” than the Democratic Republic of the Congo. Yet, while MONUC is one of the largest and arguably most important United Nations peacekeeping missions since the organization was founded, Canada is currently contributing a mere nine staff officers.¹⁷² Surely a country with such a proud tradition of multilateralism and respect for international human rights can contribute more to this vital mission that is attempting to mitigate a conflict that has witnessed death, atrocity, and sexual violence on a scale that is beyond comprehension.

As long as Canada continues not to contribute troops to peace operations in Africa, this Committee believes that we have a responsibility to fund, assist, and train those countries and organizations that are engaged in peace operations in Africa. Canada can make an important contribution to regional security organizations, specifically the African Union, through funding, training, technical assistance, and logistical support.

¹⁷¹ *Evidence*, 26 September 2006, 39th Parliament.

¹⁷² Department of National Defence, “Current Operations,” Accessed: 14 November 2006, www.forces.gc.ca/site/operations/current_ops_e.asp.

Indeed, the stakes are high. Alpha Oumar Konaré, the head of the African Union, told the Committee that success in Darfur was essential for the AU. He also noted that the problems of Islam have to be dealt with and that failure to deal with these problems will unleash a domino effect involving instability in Chad, Mauritania, the Central African Republic, the DRC, Djibouti, and Somalia.¹⁷³

We heard compelling testimony that Canada should show leadership and aggressively lend support to the African Union and regional organizations in resolving conflicts. Canada has helped regional security organizations to address conflict in Africa, including the provision of logistical, technical, and financial support. It was a founding member of the International Conference on the Great Lakes region of Africa, designed to form a new partnership of the countries in that troubled region. Since 2004, Canada has also contributed \$190 million towards the African Union Mission in the Darfur. Funding has supported helicopter transport, the loan of armoured personnel carriers, provision of equipment, and technical assistance from Canadian Forces personnel. Several times during the Committee's visit to Africa, appreciation for this financial assistance was given.

Canada can also contribute to African security initiatives through training, which is badly needed to assist AU and ECOWAS troop-contributing countries in professionalizing their armed forces and providing their forces with the necessary tools to deal with complex intrastate and regional warfare, and to deal with the challenges of conducting multinational peace support operations.

An official from the Department of National Defence, Andrew Rasiulis, told the Committee of the importance of Canada's Military Training Assistance Program (MTAP) in this regard. MTAP provides language training, professional training, and peace support training to participating states, 19 of which are African. Broadly speaking, MTAP aims to "promote democratic principles, the rule of law, the protection of human rights and international stability; build peace support operations capacity amongst Canada's peacekeeping partners; and contribute to the global war against terrorism through selective assistance."¹⁷⁴ In short, the MTAP program

¹⁷³ Meeting, Addis Ababa, Ethiopia, 10 October, 2005.

¹⁷⁴ *Evidence*, 16 February 2005, 38th Parliament.

Overcoming 40 Years of Failure: A New Road Map for Sub-Saharan Africa

aims to build up African peacekeeping capacity. However, only 10% of the MTAP's total \$12 million budget is spent on training Africans, meaning that only 190 officers actually received training last year. The bulk of this training took place in Canada. This funding is extremely limited in comparison with the need.

Post-conflict peacebuilding is another important issue. The conflict in Uganda has been characterized by the use of child soldiers, the kidnapping of young girls, and the brutalization of children in the northern regions of the country. Canada has traditionally been engaged with the issues of child combatants in war, pushing for UN Security Council resolutions on children in armed conflict and supporting the United Nations *Optional Protocol on the Involvement of Children in Armed Conflict*.

However, despite these initiatives, the Committee heard compelling testimony of the need for Canada to further its work in assisting with the disarmament and reintegration of child combatants. We also heard of the unique plight facing girls in armed conflict, including disturbing rates of sexual violence and exploitation in conflicts in the DRC, Uganda, and Darfur. As Lieutenant-General (Ret'd) Romeo Dallaire told us, girls affected by war "need extensive rehabilitation. There is not one program that exists that lasts over a three month period, and these girls need one or two years of rehabilitation. The girls need a very developed program."¹⁷⁵ The Committee feels that Canada has the experience and resources to make an important contribution to international efforts to help children in armed conflict, with a specific focus on girls.

RECOMMENDATION

The Government of Canada should boost its support for peace and security efforts in Africa by:

- **Greatly expanding Canada's commitment to United Nations peace support operations in Africa, in particular MONUC;**
- **Helping to build the capacity for peace in Africa by significantly increasing the budget and resources of the Department of National Defence's Military Training Assistance Program and by expanding the scope of the program to provide more**

¹⁷⁵ *Evidence*, 14 February 2005, 38th Parliament.

- training to greater number of officers from a greater number of African countries;
- **Recommitting to and strengthening its work on children affected by armed conflict. It should expand the scope of such programs beyond direct “combatants,” to include all children *affected* by war, specifically focusing new programs on post-conflict assistance for girls.**

APPENDICES

APPENDIX I

Sub-Saharan Africa: Basic Social Indicator

Participating in growth

Table 1.1 Basic indicators

	Population (millions)	Land area (thousands of sq km)	GNI per capita		Life expectancy at birth (years)	Under-five mortality rate (per 1,000)	Gini coefficient	Adult literacy rate (% ages 15 and older)		Total net official development assistance per capita (current \$)
			Dollars ^a	Average annual growth (%)				Male	Female	
SUB-SAHARAN AFRICA	726.4	23,619	600	1.7	46	168.2	..	..	..	33
excluding South Africa	680.9	22,405	397	2.0	46	172.2	..	..	..	34
excl. S. Africa & Nigeria	552.2	21,494	390	1.9	47	166.4	..	..	..	41
Angola	15.5	1,247	930	4.6	41	260.0	..	83	54	74
Benin	8.2	111	450	1.2	55	152.0	36.5	48	23	46
Botswana	1.8	567	4,360	5.7	35	116.0	..	80	82	22
Burkina Faso	12.8	274	350	0.3	48	192.0	39.5	29	15	48
Burundi	7.3	26	90	0.0	44	190.0	42.4	67	52	48
Cameroon	16.0	465	810	2.7	46	149.4	44.6	77	60	47
Cape Verde	0.5	4	1,720	40.0	70	36.4	..	..	..	282
Central African Republic	4.0	623	310	0.3	39	193.0	..	65	33	26
Chad	9.4	1,259	250	3.6	44	200.0	..	41	13	34
Comoros	0.6	2	560	-0.1	63	70.0	..	..	..	42
Congo, Dem. Rep.	55.9	2,267	110	0.0	44	205.0	..	81	54	32
Congo, Rep.	3.9	342	760	-0.5	52	108.0	..	..	..	30
Côte d'Ivoire	17.9	318	760	-2.4	46	193.6	44.6	61	39	9
Djibouti	0.8	23	950	0.0	53	125.6	38.6	..	..	82
Equatorial Guinea	0.5	28	..	0.0	43	204.0	..	93	80	60
Eritrea	4.2	101	190	-3.4	54	82.0	..	..	..	61
Ethiopia	70.0	1,000	110	1.3	42	166.4	30.0	..	..	26
Gabon	1.4	258	4,080	0.3	54	91.0	..	..	..	28
Gambia, The	1.5	10	280	0.8	56	122.0	50.2	..	..	43
Ghana	21.7	228	380	2.4	57	112.0	40.8	66	50	63
Guinea	9.2	246	410	1.0	54	155.0	..	43	18	30
Guinea-Bissau	1.5	28	160	3.8	45	203.0	..	..	..	50
Kenya	33.5	569	480	0.3	48	119.5	42.5	78	70	19
Lesotho	1.8	30	730	1.9	36	112.2	..	74	90	57
Liberia	3.2	96	120	-2.8	42	235.0	..	..	..	65
Madagascar	18.1	582	290	-1.5	56	122.6	47.5	77	65	68
Malawi	12.6	94	160	-0.3	40	175.2	50.3	75	54	38
Mali	13.1	1,220	330	2.3	48	219.0	..	27	12	43
Mauritania	3.0	1,025	530	4.0	53	125.0	39.0	60	43	60
Mauritius	1.2	2	4,640	2.9	73	15.2	..	88	81	31
Mozambique	19.4	784	270	6.2	42	151.6	39.6	..	..	63
Namibia	2.0	823	2,380	3.2	47	63.4	..	87	83	59
Niger	13.5	1,267	210	0.0	45	258.8	..	43	15	40
Nigeria	128.7	911	430	2.7	44	196.6	43.7	..	..	4
Rwanda	8.9	25	210	0.3	44	203.0	..	71	60	53
São Tomé and Príncipe	0.2	1	390	2.3	63	118.0	..	..	..	218
Senegal	11.4	193	630	1.6	56	136.6	..	51	29	92
Seychelles	0.1	0	8,190	-2.3	..	13.5	..	91	92	124
Sierra Leone	5.3	72	210	5.3	41	282.8	..	47	24	67
Somalia	8.0	627	..	0.0	47	225.0	..	..	..	24
South Africa	45.5	1,214	3,630	2.2	45	67.0	57.8	84	81	14
Sudan	35.5	2,376	530	7.5	57	91.4	..	71	52	25
Swaziland	1.1	17	1,660	-0.7	42	156.4	..	81	78	104
Tanzania	37.6	884	320	-4.6	46	126.0	34.6	78	62	46
Togo	6.0	54	310	-0.7	55	139.6	..	69	38	10
Uganda	27.8	197	250	1.8	49	137.8	43.0	77	58	42
Zambia	11.5	743	400	0.3	38	182.0	42.1	76	60	94
Zimbabwe	12.9	387	620	-6.2	37	129.0	..	..	..	14
NORTH AFRICA	150.5	5,738	1,784	0.0	71	32.8	32.0	..	..	19
Algeria	32.4	2,382	2,270	3.0	71	40.0	34.4	80	60	10
Egypt, Arab Rep.	72.6	995	1,250	0.0	70	36.0	..	..	..	20
Libya	5.7	1,760	4,400	0.0	74	20.0	39.5	..	..	..
Morocco	29.8	446	1,570	3.0	70	43.0	39.8	66	40	24
Tunisia	9.9	155	2,650	3.4	73	25.0	..	83	65	33
ALL AFRICA	876.9	29,358	803	1.9	50	137.6	..	..	..	31

a. Calculated by the World Bank Atlas method.
b. Data are for most recent year available during the period specified.

APPENDIX I
Sub-Saharan Africa: Basic Social Indicator

Table 2.20 Gross domestic product per capita growth

	Annual growth (%)										Annual average		
	1980	1990	1998	1999	2000	2001	2002	2003	2004 ^a	1980-89	1990-99	2000-04	
SUB-SAHARAN AFRICA	1.1	-1.8	-0.2	0.1	0.8	1.0	1.0	1.8	2.9	-0.8	-0.6	1.5	
excluding South Africa	-1.1	-0.9	0.9	0.3	0.3	1.4	0.7	2.4	3.1	-0.9	-0.2	1.6	
excl. S. Africa & Nigeria	-2.1	-2.3	1.3	0.8	-0.1	1.6	1.1	0.9	2.9	-0.5	-0.3	1.3	
Angola	..	-3.0	4.4	0.9	0.5	0.4	11.2	0.5	7.9	-0.3	-1.7	4.1	
Benin	3.5	-0.3	1.6	1.7	2.7	1.8	1.2	0.6	-0.2	-0.2	1.1	1.2	
Botswana	8.2	3.9	4.2	3.9	6.5	4.6	4.7	6.7	5.0	8.0	2.8	5.5	
Burkina Faso	-1.3	-4.4	-1.7	3.8	-1.3	2.7	1.1	3.1	0.6	1.1	0.9	1.2	
Burundi	-1.9	1.0	3.9	-2.1	-2.5	-0.2	1.6	-4.3	1.3	1.0	-2.8	-0.8	
Cameroon	-4.8	-8.8	2.8	2.2	2.1	2.4	2.0	2.1	1.8	1.1	-2.1	2.1	
Cape Verde	..	-1.6	5.0	6.1	4.1	1.4	2.2	3.7	2.0	4.2	2.8	2.7	
Central African Republic	-7.0	-4.4	2.6	1.7	0.6	0.0	-2.1	-8.8	0.0	-1.6	-1.1	-2.1	
Chad	-8.0	-7.0	3.7	-3.8	-3.7	6.7	4.6	10.9	25.2	2.7	-0.8	8.7	
Comoros	..	2.4	-1.2	0.7	-0.3	0.2	0.2	0.0	-0.2	0.1	-0.6	0.0	
Congo, Dem. Rep.	-0.9	-9.7	-3.5	-6.3	-8.9	-4.5	0.8	2.7	3.7	-1.2	-8.2	-1.2	
Congo, Rep.	14.0	-2.2	0.3	-6.1	4.8	0.6	1.4	-2.2	0.6	3.5	-2.3	1.0	
Côte d'Ivoire	-15.1	-4.4	2.1	-0.8	-5.4	-1.8	-3.2	-3.2	0.1	-4.4	-0.3	-2.7	
Djibouti	..	-6.4	-3.0	-1.2	-2.3	..	..	..	..	-6.8	-3.8	-2.3
Equatorial Guinea	..	1.4	19.0	38.1	-0.9	-0.9	14.9	12.1	7.5	-1.6	17.4	6.5	
Eritrea	..	..	-1.1	-3.3	-16.3	4.8	-3.7	-0.7	-2.3	..	6.4	-3.7
Ethiopia	..	-1.6	-6.7	4.0	2.9	5.5	-2.2	-5.1	10.1	-0.9	-0.1	2.3	
Gabon	-0.5	1.8	-0.6	-8.4	-0.2	0.5	-1.7	1.0	-0.2	-1.3	-0.2	-0.1	
Gambia, The	2.9	-0.3	0.1	3.0	2.2	2.6	-6.1	3.9	2.2	0.3	-0.4	1.0	
Ghana	-2.0	0.5	2.4	2.1	1.4	1.9	2.2	2.5	2.8	-1.1	1.6	2.2	
Guinea	..	0.9	2.6	2.5	-0.2	1.8	2.0	-1.0	0.5	1.6	0.9	0.6	
Guinea-Bissau	-18.8	3.1	-30.0	4.9	4.5	-2.7	-9.8	-2.4	-0.8	0.4	-1.0	-2.3	
Kenya	1.7	0.8	0.9	0.0	-1.6	2.1	-1.7	0.6	2.0	0.5	-0.6	0.3	
Lesotho	-5.2	5.0	-5.8	-0.8	0.6	2.7	3.3	3.1	3.3	1.3	2.7	2.6	
Liberia	-7.2	-50.5	19.0	14.2	19.3	-0.2	2.2	-31.6	2.0	-6.2	-3.2	-1.7	
Madagascar	-2.0	0.2	0.8	1.6	1.7	3.0	-15.1	6.8	2.4	-2.4	-1.3	-0.2	
Malawi	-2.6	1.7	1.0	0.2	-1.1	-7.3	0.5	3.8	4.8	-2.4	2.0	0.2	
Mali	-6.5	-4.3	3.2	3.8	0.3	8.9	1.1	4.3	-0.8	-1.8	0.9	2.7	
Mauritania	0.9	-4.0	0.7	4.8	3.6	0.6	-0.7	3.2	3.7	-0.2	1.2	2.1	
Mauritius	..	5.0	4.9	4.5	2.9	4.4	2.1	1.9	3.4	4.9	4.2	2.9	
Mozambique	..	-0.3	10.0	5.2	-0.2	10.7	6.0	5.8	5.4	-0.6	2.8	5.5	
Namibia	..	-1.8	0.4	0.8	1.2	0.5	5.0	2.1	4.7	-2.3	0.8	2.7	
Niger	-5.2	-4.3	6.7	-3.9	-4.7	3.5	-0.5	1.8	-3.3	-3.0	-1.4	-0.6	
Nigeria	1.2	5.1	-0.6	-1.3	1.8	0.7	-0.7	8.3	3.7	-1.9	0.4	2.7	
Rwanda	5.5	-2.1	-1.7	-1.8	-1.0	2.2	6.5	-0.8	2.5	-0.3	1.2	1.9	
São Tomé and Príncipe	..	-0.4	0.7	0.6	0.9	1.8	1.8	1.6	1.4	-0.6	-0.1	1.5	
Senegal	-5.8	0.9	1.9	3.5	0.5	2.2	-1.3	4.0	3.7	-0.4	0.4	1.8	
Seychelles	-5.4	6.1	6.3	-0.1	3.9	-2.3	-1.7	-5.3	-3.0	1.2	3.3	-1.7	
Sierra Leone	2.9	1.6	0.1	-4.3	3.5	..	22.7	4.9	5.2	-1.2	-3.5	5.1	
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	4.2	-2.3	-1.8	-0.1	1.6	0.9	2.5	1.9	5.2	-0.3	-0.8	2.4	
Sudan	-1.7	-7.5	4.0	4.0	4.3	4.0	4.0	4.0	4.0	0.6	2.1	4.1	
Swaziland	9.0	5.2	0.0	0.6	-0.4	-0.4	1.0	0.8	0.8	3.6	0.6	0.3	
Tanzania	..	3.5	1.4	1.3	2.9	4.1	5.1	5.0	4.7	0.4	0.2	4.4	
Togo	11.1	-3.1	-5.8	-1.1	-4.0	-3.1	1.3	0.0	0.4	-0.9	-0.4	-1.1	
Uganda	..	2.7	1.8	4.8	2.4	1.6	3.0	0.9	2.0	-0.6	3.5	2.0	
Zambia	-0.3	-3.4	-4.1	0.0	1.5	2.9	1.5	3.4	3.7	-1.8	-2.1	2.6	
Zimbabwe	10.5	3.8	1.6	-4.7	-8.8	-3.5	-5.1	-10.9	-4.7	1.4	0.6	-6.6	
NORTH AFRICA	2.5	1.8	4.4	2.6	2.2	2.2	1.6	3.1	2.5	1.7	1.5	2.3	
Algeria	-2.5	-1.7	3.6	1.8	1.0	1.1	2.5	5.7	3.6	-0.3	-0.4	2.8	
Egypt, Arab Rep.	7.5	3.5	4.3	4.1	3.4	1.5	1.2	1.1	2.2	3.4	2.6	1.9	
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Morocco	1.1	1.9	6.4	-1.2	-0.2	5.1	2.0	4.3	0.7	1.6	1.1	2.4	
Tunisia	4.6	5.4	3.5	4.7	3.5	3.7	0.5	5.0	5.1	1.0	3.3	3.6	
ALL AFRICA	1.5	-0.6	1.3	0.9	1.1	1.3	1.1	2.2	2.7	0.0	0.1	1.7	

a. Preliminary.

APPENDIX II

Sub-Saharan Africa: The Business and Investment Environment

Drivers of growth

Table 5.1 Business environment

	Number of startup procedures for new business 2005	Time required to start a business (days) 2005	Cost to start a business (% of GNI per capita) 2005	Number of procedures to register a property 2005	Time required to register a property (days) 2005	Number of procedures to enforce a contract 2005	Time required to enforce a contract (days) 2005	Protecting investors disclosure index (0 low to 10 high) 2005	Time to resolve insolvency (years) 2005	Rigidity of employment index (0 least rigid to 100 most rigid) 2005
SUB-SAHARAN AFRICA	11	64	215	7	118	36	439	5	3	53
Angola	14	146	643	7	334	47	1,011	5	6	64
Benin	8	32	191	3	50	49	570	5	3	53
Botswana	11	108	11	6	69	26	154	8	2	30
Burkina Faso	12	45	150	8	107	41	446	6	4	84
Burundi	11	43	201	5	94	47	433	1	4	69
Cameroon	12	37	173	5	93	58	585	8	3	56
Cape Verde	..	..	..	..	..	..	..	..	..	..
Central African Republic	10	14	212	3	69	45	660	..	5	76
Chad	19	75	361	6	44	52	526	3	10	72
Comoros	..	..	..	..	..	..	..	..	..	..
Congo, Dem. Rep.	13	155	503	8	106	51	909	3	5	90
Congo, Rep.	8	67	289	6	103	47	560	4	3	80
Côte d'Ivoire	11	45	134	7	369	25	525	6	2	45
Djibouti	..	..	..	..	..	..	..	..	..	..
Equatorial Guinea	..	..	..	..	..	..	..	..	..	..
Eritrea	13	91	129	6	91	27	385	4	2	27
Ethiopia	7	32	65	15	56	30	420	1	2	41
Gabon	..	..	..	..	..	..	..	..	..	..
Gambia, The	..	..	..	..	..	..	..	..	..	..
Ghana	12	81	79	7	382	23	200	7	2	34
Guinea	13	49	179	6	104	44	306	5	4	48
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..
Kenya	13	54	48	8	73	25	360	4	5	28
Lesotho	9	92	56	6	101	49	285	2	3	42
Liberia	..	..	..	..	..	..	..	..	..	..
Madagascar	11	38	54	8	134	29	280	5	..	59
Malawi	10	35	140	6	118	16	277	4	3	21
Mali	13	42	191	5	44	28	340	6	4	66
Mauritania	11	82	144	4	49	28	410	..	8	73
Mauritius	6	46	9	5	210	17	367	6	2	37
Mozambique	14	153	95	8	42	38	580	2	5	61
Namibia	10	95	19	9	28	31	270	8	1	27
Niger	13	35	465	5	49	33	330	6	5	90
Nigeria	9	43	74	21	274	23	730	6	2	38
Rwanda	9	21	280	5	371	27	310	..	..	59
São Tomé and Príncipe	9	192	97	6	51	67	405	6	..	60
Senegal	9	57	109	6	114	33	485	7	3	64
Seychelles	..	..	..	..	..	..	..	..	..	..
Sierra Leone	9	26	835	8	58	58	305	3	3	80
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	9	38	9	6	23	26	277	8	2	52
Sudan	10	38	68	..	..	67	915	..	..	43
Swaziland	..	..	..	..	..	..	..	..	..	..
Tanzania	13	35	161	12	61	21	242	3	3	69
Togo	13	53	218	6	212	37	535	4	3	79
Uganda	17	36	118	8	48	15	209	7	2	13
Zambia	..	..	..	..	..	..	..	10	..	..
Zimbabwe	..	..	..	..	..	..	..	8	..	..
NORTH AFRICA	11	28	37	9	112	41	333	..	3	57
Algeria	14	26	25	16	52	49	407	8	4	51
Egypt, Arab Rep.	10	34	105	7	193	55	410	5	4	53
Libya	..	..	..	..	..	..	..	..	..	..
Morocco	5	11	12	3	82	17	240	6	2	60
Tunisia	9	14	10	5	57	14	27	0	1	54

APPENDIX II

Sub-Saharan Africa: The Business and Investment Environment

Drivers of growth

Table 5.2 Investment climate

	Private investment (% of GDP) 2004 ^a	Net foreign direct investment (\$ millions) 2004	Domestic credit to private sector (% of GDP) 2004	Viewed by firms as a major constraint (% of firms)												
				Policy uncertainty 2000-05 ^b	Corruption 2000-05 ^b	Courts 2000-05 ^b	Lack of confidence courts will uphold property rights 2000-05 ^b	Crime 2000-05 ^b	Tax rates 2000-05 ^b	Financ- 2000-05 ^b	Electricity 2000-05 ^b	Labor regulation 2000-05 ^b	Labor skills 2000-05 ^b			
SUB-SAHARAN AFRICA	..	10,117	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Angola	4.3	853	5.4	..	..	..	..	..	..	..	..	..	..	..	..	..
Benin	12.1	47	14.5	..	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	13.2	58	19.0	..	..	..	..	..	..	..	..	..	..	..	..	..
Burkina Faso	10.8	21	14.9	..	..	..	..	..	..	..	..	..	..	..	..	..
Burundi	2.7	12	22.6	..	..	..	..	..	..	..	..	..	..	..	..	..
Cameroon	15.7	242	9.9	..	..	..	..	..	..	..	..	..	..	..	..	..
Cape Verde	11.6	39	37.3	..	..	..	..	..	..	..	..	..	..	..	..	..
Central African Republic	4.1	6	7.2	..	..	..	..	..	..	..	..	..	..	..	..	..
Chad	15.3	479	3.3	..	..	..	..	..	..	..	..	..	..	..	..	..
Comoros	4.2	1	9.0	..	..	..	..	..	..	..	..	..	..	..	..	..
Congo, Dem. Rep.	10.0	435	1.5	..	..	..	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	16.6	551	3.2	..	..	..	..	..	..	..	..	..	..	..	..	..
Côte d'Ivoire	7.1	175	14.4	..	..	..	..	..	..	..	..	..	..	..	..	..
Djibouti	..	9	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Equatorial Guinea	..	-159	3.6	..	..	..	..	..	..	..	..	..	..	..	..	..
Eritrea	5.3	10	32.8	31.5	2.7	..	..	1.3	31.1	53.7	38.2	5.2	41.0	..	..	..
Ethiopia	9.0	101	24.3	39.3	39.0	..	..	9.5	73.6	40.2	42.5	4.6	17.9	..	..	..
Gabon	19.9	-51	8.6	..	..	..	..	..	..	..	..	..	..	..	..	..
Gambia, The	13.9	50	11.7	..	..	..	..	..	..	..	..	..	..	..	..	..
Ghana	16.2	70	13.1	..	..	..	..	..	..	..	..	..	..	..	..	..
Guinea	7.1	98	3.6	..	..	..	..	..	..	..	..	..	..	..	..	..
Guinea-Bissau	2.1	..	1.5	..	..	..	..	..	..	..	..	..	..	..	..	..
Kenya	7.5	108	26.8	51.5	73.8	..	51.3	69.8	68.2	58.3	48.1	22.5	27.6	..	..	..
Lesotho	33.9	53	6.5	..	..	..	..	..	..	..	..	..	..	..	..	..
Liberia	3.9	0	6.1	..	..	..	..	..	..	..	..	..	..	..	..	..
Madagascar	11.8	53	10.0	41.5	46.6	34.8	44.6	37.7	44.9	62.9	41.3	14.8	30.5	..	..	..
Malawi	1.8	44	8.4	..	..	..	..	..	..	..	..	..	..	..	..	..
Mali	11.5	62	20.1	21.9	48.7	16.9	33.1	22.1	36.6	57.0	24.2	3.9	20.8	..	..	..
Mauritania	6.0	7	25.9	..	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius	14.5	35	59.5	..	..	..	..	..	..	..	..	..	..	..	..	..
Mozambique	11.3	245	2.1	..	..	..	..	..	..	..	..	..	..	..	..	..
Namibia	17.9	246	50.4	..	..	..	..	..	..	..	..	..	..	..	..	..
Niger	6.8	18	6.2	..	..	..	..	..	..	..	..	..	..	..	..	..
Nigeria	13.2	4,409	15.6	..	..	..	..	36.3	..	..	97.4	..	..	..	..	..
Rwanda	12.0	4	10.7	..	..	..	..	..	..	..	..	..	..	..	..	..
São Tomé and Príncipe	15.1	9	33.1	..	..	..	..	..	..	..	..	..	..	..	..	..
Senegal	12.9	109	21.2	31.3	39.9	13.3	40.5	15.4	50.8	60.3	30.7	16.3	18.5	..	..	..
Seychelles	10.9	30	37.5	..	..	..	..	..	..	..	..	..	..	..	..	..
Sierra Leone	5.9	..	4.7	..	..	..	..	..	..	..	..	..	..	..	..	..
Somalia	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	14.9	-1,021	141.3	17.9	16.1	8.8	20.8	29.0	18.6	14.5	9.0	32.9	35.5	..	..	..
Sudan	17.5	1,481	7.7	..	..	..	..	..	..	..	..	..	..	..	..	..
Swaziland	9.7	65	19.5	..	..	..	..	..	..	..	..	..	..	..	..	..
Tanzania	11.0	478	9.0	31.5	51.1	20.0	55.1	25.5	73.4	53.0	58.9	12.1	25.0	..	..	..
Togo	15.9	125	16.0	..	..	..	..	..	..	..	..	..	..	..	..	..
Uganda	16.9	202	6.8	27.6	38.2	..	30.1	26.8	48.3	52.8	44.5	10.8	30.8	..	..	..
Zambia	15.4	239	8.0	57.0	46.4	38.6	..	48.8	..	67.7	39.6	16.9	35.7	..	..	..
Zimbabwe	13.4	9	..	..	..	..	..	..	..	..	..	..	..	..	..	..
NORTH AFRICA	..	1,442	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Algeria	20.7	0	11.0	..	35.2	..	27.3	..	44.8	51.3	11.5	12.9	25.5	..	..	..
Egypt, Arab Rep.	17.9	0	54.5	65.8	51.3	27.4	..	..	81.8	39.0	26.5	28.1	29.8	..	..	..
Libya	..	..	16.9	..	..	..	..	..	..	..	..	..	..	..	..	..
Morocco	22.5	822	56.7	..	..	..	..	..	..	..	..	..	..	..	..	..
Tunisia	25.5	620	65.2	..	..	..	..	..	..	..	..	..	..	..	..	..

a. Provisional.

b. Data are for most recent year available during the period specified.

APPENDIX II

Sub-Saharan Africa: The Business and Investment Environment

Regulation and tax administration										
Number of tax payments 2005	Time to prepare and pay taxes (hours) 2005	Total tax payable (% of gross profits) 2005	Highest marginal tax rate, corporate (%) 2000-05 ^b	Time dealing with officials (% of management time) 2000-05 ^b	Average time to clear customs (days) 2000-05 ^b	Bank branches (per 100,000 people) 2004	Interest rate spread (lending rate minus deposit rate) 2004	Listed domestic companies 2000-05 ^b	Market capitalization of listed companies (% of GDP) 2000-05 ^b	Turnover ratio for traded stocks (%) 2000-05 ^b
41	394	58.1	..	..	..	..	12.5	904	129.6	27.6
30	656	32.5	..	..	..	..	66.9	..	..	..
75	270	53.1	..	..	..	..	..	..	..	..
24	140	52.9	15.0	..	..	3.8	5.9	18	28.4	2.0
40	270	48.3	..	..	..	..	..	..	..	..
41	140	173.5	..	..	..	..	..	..	..	..
51	1,300	47.6	38.5	..	..	..	13.0	..	..	..
..	..	..	..	..	..	..	9.2	..	..	..
66	504	60.9	..	..	..	..	13.0	..	..	..
65	122	51.3	..	..	..	..	13.0	..	..	..
..	..	..	..	..	..	..	7.5	..	..	..
34	312	134.7	40.0	..	..	..	..	..	..	..
94	576	66.9	..	..	..	..	13.0	..	..	..
71	270	46.9	35.0	..	..	..	..	39	13.5	1.5
..	..	..	..	..	..	..	10.4	..	..	..
..	..	..	..	..	..	..	13.0	..	..	..
18	216	66.3	..	5.9	9.1	..	..	..	..	..
20	52	43.6	..	5.7	13.5	0.4	3.6	..	..	..
..	..	..	35.0	..	..	..	13.0	..	..	..
..	..	..	..	..	..	..	14.5	..	..	..
35	304	45.3	32.5	..	..	1.6	..	30	29.8	3.2
55	416	51.2	..	..	..	..	11.9	..	..	..
..
17	372	68.2	30.0	13.8	8.9	1.4	10.1	47	24.2	9.6
19	564	37.7	..	..	..	..	8.1	..	..	..
..	..	..	..	..	..	..	14.3	..	..	..
29	400	58.9	..	25.4	7.0	0.7	10.3	..	..	..
33	782	56.5	38.0	..	..	..	23.1	8	9.1	13.8
60	270	44.0	..	10.8	10.0	..	..	..	..	..
61	696	75.8	..	..	..	..	13.0	40	99.3	..
7	158	38.2	25.0	..	..	11.9	12.9	42	39.4	6.1
35	230	50.9	32.0	..	..	..	12.2	..	..	..
23	50	43.9	35.0	..	..	4.5	5.0	13	7.7	1.6
44	270	49.4	..	..	..	..	..	..	..	..
36	1,120	27.1	30.0	..	17.8	1.6	5.5	214	20.1	11.5
42	168	53.9	..	..	..	..	..	..	..	..
29	1,008	27.4	..	..	..	..	18.3	..	..	..
59	696	45.0	35.0	13.8	7.0	..	..	..	..	..
..	..	..	..	..	..	..	6.6	..	..	..
20	399	163.9	..	..	..	..	11.9	..	..	..
..
32	350	43.8	30.0	10.7	6.5	6.0	4.7	388	214.1	41.6
..
..	..	..	30.0	..	..	..	6.7	6	9.4	0.0
48	248	51.3	30.0	16.2	17.5	0.6	9.7	6	6.2	1.9
51	270	50.9	..	..	..	..	..	..	..	..
31	237	42.9	30.0	5.0	..	0.5	12.9	5	1.4	..
36	132	38.6	35.0	..	..	1.5	19.2	11	8.0	22.5
59	216	48.6	30.0	..	..	3.3	175.7	79	41.3	6.4
..
63	504	58.5	..	..	21.6	..	5.5	..	..	..
39	504	32.1	40.0	..	9.9	3.6	5.7	744	48.9	42.4
..	..	..	..	..	..	..	4.0	..	..	..
28	690	54.8	35.0	..	2.7	6.6	7.9	56	50.1	16.4
31	112	52.7	..	..	..	..	..	46	9.4	16.8

APPENDIX II

Sub-Saharan Africa: The Business and Investment Environment

Drivers of growth

Table 7.4 Energy

	Access, supply side			Access, demand side					
	Installed capacity (MW) 2000-04*	Electric power consumption (kWh per capita) 2000-04*	Energy use per PPP GDP (kg of oil equivalent) per 2000 PPP \$, thousands) 2000-04*	Access to electricity			Solid fuels use		
				Total (% of total population) 2000-04*	Urban access (% of urban population) 2000-04*	Rural access (% of rural population) 2000-04*	Total (% of total population) 2000-04*	Urban (% of urban population) 2000-04*	Rural (% of rural population) 2000-04*
SUB-SAHARAN AFRICA									
Angola	618.0	103.5	312.9	12.0	..	..	95.0	..	..
Benin	120.6	12.2	329.7	22.0	49.6	5.5	95.0	87.5	98.7
Botswana	132.0	538.5	..	22.0	..	..	..	..	..
Burkina Faso	121.0	36.6	..	13.0	39.7	0.2	95.0	..	..
Burundi	43.0	18.0	..	5.0	45.1	0.4	99.8	98.1	99.9
Cameroon	880.0	212.2	212.6	20.0	84.6	21.0	83.0	62.2	98.2
Cape Verde	7.0	87.3	..	..	..	..	..	..	..
Central African Republic	39.9	..	..	5.0	8.0	0.3	..	..	..
Chad	29.0	10.9	..	3.0	9.4	0.1	95.0	..	..
Comoros	5.0	34.2	..	..	51.8	19.6	..	..	..
Congo, Dem. Rep.	2,515.5	109.9	463.4	6.7	..	..	..	..	..
Congo, Rep.	121.0	77.3	268.0	20.9	..	..	84.0	..	..
Côte d'Ivoire	915.0	219.4	267.4	38.5	85.9	22.5	74.0	..	..
Djibouti	..	..	..	..	..	..	..	..	..
Equatorial Guinea	12.0	45.4	..	..	..	..	..	..	..
Eritrea	..	44.4	..	17.0	80.6	2.1	79.7	30.4	97.4
Ethiopia	533.8	25.7	417.3	4.7	76.2	0.4	95.0	72.9	99.9
Gabon	403.3	957.3	196.3	31.0	..	..	..	..	..
Gambia, The	29.0	162.2	..	5.0	..	..	..	..	..
Ghana	1,227.5	334.1	201.0	50.0	82.4	20.9	88.0	88.0	99.4
Guinea	261.3	97.4	..	5.0	53.8	1.5	..	..	..
Guinea-Bissau	21.0	63.9	..	7.9	..	..	..	..	..
Kenya	1,084.3	119.7	498.1	7.9	47.5	4.3	81.8	33.8	94.7
Lesotho	75.8	173.6	..	5.0	..	..	83.0	..	..
Liberia	330.0	112.2	..	..	..	..	..	..	..
Madagascar	285.0	48.5	..	8.0	47.8	5.2	98.6	96.2	98.9
Malawi	272.5	68.8	..	5.0	28.7	1.0	95.0	83.0	99.6
Mali	208.5	46.7	..	7.6	37.0	2.2	97.9	98.4	99.8
Mauritania	114.5	65.4	..	50.0	49.7	2.5	..	..	..
Mauritius	582.6	1,487.6	..	100.0	..	..	..	..	..
Mozambique	2,378.0	462.6	433.1	7.2	25.8	2.1	..	..	..
Namibia	..	695.4	98.5	34.0	..	..	63.0	..	..
Niger	105.0	26.7	..	7.9	36.5	0.2	97.8	94.8	98.4
Nigeria	5,888.0	140.2	788.9	40.0	84.3	27.9	85.7	57.4	94.2
Rwanda	34.3	19.9	..	5.0	38.9	0.9	99.8	98.1	99.9
São Tomé and Príncipe	10.1	105.9	..	..	..	..	..	..	..
Senegal	237.5	166.3	208.3	30.1	68.9	6.0	41.0	..	..
Seychelles	28.0	2,573.9	..	..	..	..	..	..	..
Sierra Leone	124.0	33.8	..	5.0	..	..	..	..	..
Somalia	79.5	24.2	..	..	..	..	..	..	..
South Africa	41,365.5	4,559.5	256.6	66.1	..	..	..	..	..
Sudan	727.3	71.3	278.2	30.0	..	..	..	..	..
Swaziland	127.5	359.0	..	20.0	..	..	..	..	..
Tanzania	847.3	67.8	728.8	10.5	27.3	1.1	..	..	..
Togo	35.5	9.1	203.0	9.0	41.2	2.4	..	..	..
Uganda	291.5	68.5	..	3.7	43.9	2.4	96.8	85.0	98.7
Zambia	1,786.0	739.4	792.4	12.0	45.1	2.9	85.0	62.4	98.1
Zimbabwe	1,842.0	532.0	333.3	39.7	87.4	8.3	73.0	4.7	93.6
NORTH AFRICA									
Algeria	6,400.0	913.5	..	98.0	..	..	5.0	..	..
Egypt, Arab Rep.	..	1,337.4	215.2	93.8	..	..	5.0	..	..
Libya	4,700.0	3,338.5	..	99.8	..	..	5.0	..	..
Morocco	17,600.0	592.1	99.0	71.1	..	..	5.0	..	..
Tunisia	2,900.0	1,239.6	130.0	94.6	..	..	5.0	..	..

a. Data are for most recent year available during the period specified.

Participating in growth:

Table 11.1 HIV/AIDS

	Estimated number of people living with HIV/AIDS (thousands)				Estimated prevalence rate (%)			Deaths due to HIV/AIDS (thousands)	AIDS orphans (ages 0-17, thousands)
	Total	Adults (ages 15-49)	Women (ages 15-49)	Children (ages 0-14)	Adults (ages 15-49)	Young women (ages 15-24)	Young men (ages 15-24)		
	2005	2005	2005	2005	2005	2005	2005		
SUB-SAHARAN AFRICA	24,500	22,400	13,200	2,000	6.1	4.3	1.5	2,000	12,000
excluding South Africa	19,000	17,100	10,100	1,760	..	..	..	1,680	10,800
excl. S. Africa & Nigeria	16,100	14,500	8,500	1,520	..	..	..	1,460	9,870
Angola	320	280	170	35	3.7	2.5	0.9	30	160
Benin	87	77	45	10	1.8	1.1	0.4	10	62
Botswana	270	260	140	14	24.1	15.3	5.7	18	120
Burkina Faso	150	140	80	17	2.0	1.4	0.5	12	120
Burundi	150	130	79	20	3.3	2.3	0.8	13	120
Cameroon	510	470	290	43	5.4	4.9	1.4	46	240
Cape Verde	..	..	..	..	..	..	..	..	..
Central African Republic	250	230	130	24	10.7	7.3	2.5	24	140
Chad	180	160	90	16	3.5	2.2	0.9	11	57
Comoros	<0.5	<0.5	<0.1	<0.1	<0.1	<0.1	<0.1	<0.1	..
Congo, Dem. Rep.	1,000	890	520	120	3.2	2.2	0.8	90	680
Congo, Rep.	120	100	61	15	5.3	3.7	1.2	11	110
Côte d'Ivoire	750	680	400	74	7.1	5.1	1.7	65	450
Djibouti	15	14	8	1	3.1	2.1	0.7	1	6
Equatorial Guinea	9	8	5	<1	3.2	2.3	0.7	<1	5
Eritrea	59	53	31	7	2.4	1.6	0.6	6	36
Ethiopia	..	..	..	..	..	..	..	..	..
Gabon	60	56	33	4	7.9	5.4	1.8	5	20
Gambia, The	20	19	11	1	2.4	1.7	0.6	1	4
Ghana	320	300	180	25	2.3	1.3	0.2	29	170
Guinea	85	78	53	7	1.5	1.4	0.5	7	28
Guinea-Bissau	32	29	17	3	3.8	2.5	0.9	3	11
Kenya	1,300	1,200	740	150	6.1	5.2	1.0	140	1,100
Lesotho	270	250	150	18	23.2	14.1	5.9	23	97
Liberia	..	..	..	..	..	..	..	..	..
Madagascar	49	47	13	2	0.5	0.3	0.6	3	13
Malawi	940	850	500	91	14.1	9.6	3.4	78	550
Mali	130	110	66	16	1.7	1.2	0.4	11	94
Mauritania	12	11	6	1	0.7	0.5	0.2	<1	7
Mauritius	4	4	<1	..	0.6	..	..	<0.1	..
Mozambique	1,800	1,600	960	140	16.1	10.7	3.6	140	510
Namibia	230	210	130	17	19.6	13.4	4.4	17	85
Niger	79	71	42	9	1.1	0.8	0.2	8	46
Nigeria	2,900	2,600	1,600	240	3.9	2.7	0.9	220	930
Rwanda	190	160	91	27	3.1	1.9	0.8	21	210
São Tomé and Príncipe	..	..	..	..	..	..	..	..	..
Senegal	61	56	33	5	0.9	0.6	0.2	5	25
Seychelles	..	..	..	..	..	..	..	..	..
Sierra Leone	48	43	26	5	1.6	1.1	0.4	5	31
Somalia	44	40	23	5	0.9	0.6	0.2	4	23
South Africa	5,500	5,300	3,100	240	18.8	14.8	4.5	320	1,200
Sudan	350	320	180	30	1.6	..	..	34	..
Swaziland	220	210	120	15	33.4	22.7	7.7	16	63
Tanzania	1,400	1,300	710	110	6.5	3.8	2.8	140	1,100
Togo	110	100	61	10	3.2	2.2	0.8	9	88
Uganda	1,000	900	520	110	6.7	5.0	2.3	91	1,000
Zambia	1,100	1,000	570	130	17.0	12.7	3.8	98	710
Zimbabwe	1,700	1,500	890	160	20.1	14.7	4.4	180	1,100
NORTH AFRICA	440	400	190	31	0.22	0.20	0.10	37	..
Algeria	19	19	4	..	0.1	..	..	<0.5	..
Egypt, Arab Rep.	5	5	<1	..	<0.1	..	..	<0.5	..
Libya	..	..	..	..	..	..	..	..	..
Morocco	19	19	4	..	0.1	..	..	1	..
Tunisia	9	9	2	..	0.1	..	..	<0.1	..
ALL AFRICA	24,940	22,800	13,390	2,031	..	..	..	2,037	12,000

APPENDIX III

Sub-Saharan Africa: Health Crises

Participating in growth

Table 12.1 Malaria

	Population (millions)	Risk of malaria (% of population)			Deaths due to malaria (per 100,000 people)	Under-five mortality rate (per 1,000)	Children sleeping under insecticide-treated bednets (% of children under age 5)	Children with fever receiving antimalarial drugs (% of children under age 5 with fever)		Pregnant women receiving two doses of intermittent preventive treatment (%)
		Endemic	Epidemic	Negligible				Any antimalarial drugs	Effective antimalarial drugs	
	1997-2004 ^a	1997-2004 ^a	1997-2004 ^a	1997-2004 ^a	1997-2004 ^a	1997-2004 ^a	2000-04 ^a	1997-2004 ^a	1997-2004 ^a	1997-2004 ^a
SUB-SAHARAN AFRICA										
Angola	15.5	90	8	1	354	260	2.3	63	20	..
Benin	8.2	100	0	0	177	152	7.4	60	19	..
Botswana	1.8	..	..	..	..	116	..	..	..	..
Burkina Faso	12.8	100	0	0	292	192	1.6	50	45	..
Burundi	7.3	68	17	15	..	190	1.3	..	..	..
Cameroon	16.0	94	4	2	..	149	0.9	..	..	..
Cape Verde	0.5	..	..	..	..	36	..	..	..	..
Central African Republic	4.0	100	0	0	..	193	1.5	..	..	..
Chad	9.4	96	4	0	..	200	0.6	..	..	..
Comoros	0.6	..	..	..	..	70	9.3	..	..	..
Congo, Dem. Rep.	55.9	92	3	6	224	205	0.7	45	..	..
Congo, Rep.	3.9	100	0	0	..	108	..	..	..	..
Côte d'Ivoire	17.9	100	0	0	..	194	1.1	..	..	..
Djibouti	0.8	..	..	..	..	126	..	..	..	..
Equatorial Guinea	0.5	98	1	1	..	204	0.7	..	..	..
Eritrea	4.2	92	7	1	74	82	4.2	4	7	..
Ethiopia	70.0	40	24	36	198	166	..	3	..	..
Gabon	1.4	96	0	4	..	91	..	..	..	..
Gambia, The	1.5	100	0	0	..	122	14.7	..	..	..
Ghana	21.7	100	0	0	70	112	3.5	63	44	1
Guinea	9.2	100	0	0	..	155	..	..	..	..
Guinea-Bissau	1.5	100	0	0	..	203	7.4	..	..	..
Kenya	33.5	53	24	22	63	120	4.6	27	11	4
Lesotho	1.8	..	..	..	..	112	..	..	..	..
Liberia	3.2	100	0	0	201	235	..	..	..	..
Madagascar	18.1	89	7	4	..	123	0.2	..	..	..
Malawi	12.6	97	3	1	275	175	35.5	27	..	47
Mali	13.1	99	1	0	454	219	..	38	..	..
Mauritania	3.0	65	35	0	..	125	2.1	..	..	..
Mauritius	1.2	..	..	..	..	15	..	..	..	..
Mozambique	19.4	100	0	0	232	152	..	..	..	..
Namibia	2.0	..	..	..	..	63	..	..	..	..
Niger	13.5	97	3	0	469	259	1.0	48	..	..
Nigeria	128.7	100	0	0	141	197	1.2	34	25	1
Rwanda	8.9	53	14	33	200	203	5.0	13	..	..
São Tomé and Príncipe	0.2	0	0	100	..	118	22.8	..	..	..
Senegal	11.4	100	0	0	72	137	1.7	36	..	..
Seychelles	0.1	..	..	..	..	14	..	..	..	..
Sierra Leone	5.3	100	0	0	..	283	1.5	..	..	..
Somalia	8.0	20	79	1	..	225	..	..	..	..
South Africa	45.5	..	..	..	..	67	..	..	..	..
Sudan	35.5	74	25	1	70	91	..	61	..	..
Swaziland	1.1	..	..	..	..	156	0.1	..	..	..
Tanzania	37.6	93	3	4	130	126	2.1	53	11	..
Togo	6.0	100	0	0	..	140	2.0	..	..	..
Uganda	27.8	90	3	7	152	138	0.2	..	7	33
Zambia	11.5	96	3	1	141	182	6.5	52	50	..
Zimbabwe	12.9	..	..	..	..	129	..	..	..	..
NORTH AFRICA										
Algeria	32.4	..	..	..	..	40	..	..	..	..
Egypt, Arab Rep.	72.6	..	..	..	..	36	..	..	..	..
Libya	5.7	..	..	..	..	20	..	..	..	..
Morocco	29.8	..	..	..	..	43	..	..	..	..
Tunisia	9.9	..	..	..	..	25	..	..	..	..

a. Data are for most recent year available during the period specified.

2006 AIDS EPIDEMIC UPDATE | 65

ADULTS AND CHILDREN ESTIMATED TO BE LIVING
WITH HIV IN 2006

<p>North America 1.4 million (880 000–2.2 million)</p>	<p>Western and Central Europe 740 000 (580 000–970 000)</p>	<p>Eastern Europe and Central Asia 1.7 million (1.2–2.6 million)</p>
<p>Caribbean 250 000 (190 000–320 000)</p>	<p>North Africa and Middle East 460 000 (270 000–760 000)</p>	<p>East Asia 750 000 (460 000–1.2 million)</p>
<p>Latin America 1.7 million (1.3–2.5 million)</p>	<p>Sub-Saharan Africa 24.7 million (21.8–27.7 million)</p>	<p>South and South-East Asia 7.8 million (5.2–12.0 million)</p>
		<p>Oceania 81 000 (50 000–170 000)</p>

Total: 39.5 (34.1–47.1) million



**ESTIMATED ADULT AND CHILD DEATHS FROM
 AIDS DURING 2006**

		Eastern Europe and Central Asia 84 000 (58 000–120 000)
North America 18 000 (11 000–26 000)	Western and Central Europe 12 000 (<15 000)	East Asia 43 000 (26 000–64 000)
Caribbean 19 000 (14 000–25 000)	North Africa and Middle East 36 000 (20 000–60 000)	South and South-East Asia 590 000 (390 000–850 000)
Latin America 65 000 (51 000–84 000)	Sub-Saharan Africa 2.1 million (1.8–2.4 million)	Oceania 4000 (2300–6600)

Total: 2.9 (2.5–3.5) million



APPENDIX IV
Official Development Assistant to Sub-Saharan Africa

Historical Canadian Official (Bilateral) Assistance to Sub-Saharan Africa*
All figures in CDN\$ thousands

Fiscal Year	CIDA-ODA	OGDs & Other Sources -ODA	Total Canada Sub Saharan	TOTAL BILATERAL Cdn ODA	% of (Bilateral) ODA
1957/58			2	58,146	0.0%
1958/59			17	66,941	0.0%
1959/60			88	62,352	0.1%
1960/61			187	53,111	0.4%
1961/62			1,297	37,860	3.4%
1962/63			2,601	29,568	8.8%
1963/64			3,642	42,741	8.5%
1964/65			6,180	66,519	9.3%
1965/66			13,122	88,312	14.9%
1966/67			17,786	165,560	10.7%
1967/68			19,232	142,204	13.5%
1968/69			22,864	154,596	14.8%
1969/70			25,935	207,382	12.5%
1970/71			41,761	277,954	15.0%
1971/72			81,949	296,768	27.6%
1972/73	91,839	100	91,939	356,335	25.8%
1973/74	108,617	200	108,817	405,106	26.9%
1974/75	182,540	165	182,705	543,856	33.6%
1975/76	185,434	1,220	186,654	571,852	32.6%
1976/77	152,240	2,115	154,355	544,378	28.4%
1977/78	175,634	1,018	176,652	624,993	28.3%
1978/79	181,678	2,400	184,078	650,928	28.3%
1979/80	235,572	2,075	237,647	789,137	30.1%
1980/81	233,691	4,325	238,016	795,139	29.9%
1981/82	293,369	10,019	303,388	947,469	32.0%
1982/83	302,775	30,136	332,911	1,084,028	30.7%
1983/84	275,224	48,394	323,618	1,124,847	28.8%
1984/85	459,573	107,227	566,800	1,420,112	39.9%
1985/86	397,315	32,380	429,695	1,382,991	31.1%
1986/87	482,544	63,968	546,512	1,598,652	34.2%
1987/88	501,860	63,907	565,767	1,785,699	31.7%
1988/89	578,145	55,702	633,847	2,017,822	31.4%
1989/90	538,825	59,960	598,785	1,937,413	30.9%
1990/91	548,600	78,645	627,245	2,063,132	30.4%
1991/92	568,203	64,711	632,914	2,118,233	29.9%
1992/93	546,379	79,837	626,216	1,949,499	32.1%
1993/94	425,737	55,897	481,634	2,028,915	23.7%
1994/95	509,226	66,054	575,280	2,116,316	27.2%
1995/96	377,091	43,701	420,792	1,779,379	23.6%
1996/97	364,801	46,881	411,682	1,813,666	22.7%
1997/98	369,640	49,015	418,655	1,618,683	25.9%
1998/99	420,915	55,148	476,063	1,758,171	27.1%
1999/00	375,317	48,902	424,219	1,832,395	23.2%
2000/01	348,215	52,562	400,777	1,812,964	22.1%
2001/02	408,480	110,220	518,700	2,024,970	25.6%
2002/03	498,510	273,800	772,310	2,428,320	31.8%
2003/04	620,360	91,190	711,550	1,969,860	36.1%
2004/05	660,260	179,590	839,850	2,473,460	34.0%
GRAND TOTAL	12,418,609	1,781,464	14,436,736		

1967/68: CIDA reports on ODA for the first time since its creation in 1968

*N.B.: includes regional programs where the majority of member countries are located in Sub-Saharan Africa

Report Date: 2006-12-18
Prepared by: CIDA - IMTB - Statistical Analysis Section (SAS)
Source: CIDA-AIS HODA Database (1957/58-2000/01)
CIDA Statistical Report on ODA (2001/02 - 2004/05)

APPENDIX IV

Official Development Assistant to Sub-Saharan Africa

TABLE A - CANADIAN HISTORICAL OFFICIAL DEVELOPMENT ASSISTANCE
(\$ MILLION)

Fiscal Year	Total Bilateral	Total Multilateral	TOTAL ODA	ODA/GNI * Ratio (%)
1949/50	0.00	12.99	12.99	0.08
1950/51	0.01	12.49	12.49	0.07
1951/52	26.16	0.97	27.12	0.12
1952/53	5.58	2.26	7.83	0.03
1953/54	12.34	2.11	14.44	0.05
1954/55	13.11	3.34	16.45	0.06
1955/56	26.93	2.44	29.37	0.10
1956/57	22.46	7.27	29.73	0.09
1957/58	58.15	3.94	62.08	0.18
1958/59	66.94	5.23	72.17	0.20
1959/60	62.35	7.34	69.69	0.19
1960/61	53.11	22.86	75.98	0.20
1961/62	37.86	22.74	60.60	0.15
1962/63	29.57	28.59	58.15	0.13
1963/64	42.74	21.79	64.53	0.14
1964/65	66.52	34.38	100.89	0.20
1965/66	88.31	34.74	123.05	0.22
1966/67	165.56	48.03	213.59	0.34
1967/68	142.20	50.40	192.60	0.29
1968/69	154.60	57.43	212.08	0.28
1969/70	207.38	71.02	278.41	0.34
1970/71	277.95	68.17	346.12	0.40
1971/72	296.77	99.89	396.66	0.41
1972/73	356.34	157.85	514.19	0.47
1973/74	405.11	190.95	596.06	0.46
1974/75	543.86	205.24	749.10	0.49
1975/76	571.89	337.73	909.67	0.53
1976/77	544.38	427.31	971.69	0.49
1977/78	624.99	424.35	1,049.35	0.49
1978/79	650.93	489.03	1,139.95	0.49
1979/80	789.14	496.63	1,285.76	0.47
1980/81	795.14	516.44	1,311.57	0.43
1981/82	947.47	543.69	1,491.16	0.43
1982/83	1,084.03	592.52	1,676.55	0.46
1983/84	1,124.85	672.24	1,797.08	0.45
1984/85	1,420.46	684.10	2,104.56	0.49
1985/86	1,382.99	864.62	2,247.61	0.47
1986/87	1,598.65	953.11	2,551.77	0.50
1987/88	1,785.70	838.36	2,624.06	0.48
1988/89	2,017.82	928.78	2,946.60	0.49
1989/90	1,937.41	912.47	2,849.88	0.45
1990/91	2,063.13	972.22	3,035.36	0.45
1991/92	2,118.23	1,064.23	3,182.46	0.49
1992/93	1,949.55	1,023.15	2,972.70	0.44
1993/94	2,028.92	1,046.35	3,075.27	0.44
1994/95	2,116.33	976.13	3,092.46	0.42
1995/96	1,779.39	904.16	2,683.55	0.36
1996/97	1,813.67	862.78	2,676.44	0.34
1997/98	1,618.68	905.88	2,524.56	0.30
1998/99	1,758.15	832.99	2,591.14	0.30
1999/00	1,832.39	916.87	2,749.26	0.29
2000/01	1,821.41	765.57	2,586.98	0.25
2001/02	2,024.97	875.74	2,900.71	0.27
2002/03	2,428.32	874.48	3,302.80	0.29
2003/04	1,969.86	743.91	2,719.77	0.23
2004/05	2,595.55	1,549.14	4,144.68	0.32

* In previous reports, the ratio was calculated using the GNP as a denominator. Gross National Product (GNP) and the Gross National Income (GNI) are equivalent and refer to the same concept. Although we have reported this amount as the ODA/GNP ratio, starting in 2004-05 the report will refer to the ODA/GNI ratio as this is the term commonly used in international reports. This adjustment to the term does not change the actual ratios.

Capable states and partnership

Table 13.1 Aid and debt relief

	Net aid (2003 \$ millions)			Aid		Net aid (%)			Heavily indebted Poor Country (HIPC) Debt Initiative		Estimated total nominal debt service relief committed under Enhanced HIPC Initiative (\$ millions) as of Mar. 2006
	From all donors 2004	From DAC donors 2004	From multilateral donors 2004	Share of GDP (%) 2004	Per capita (\$) 2004	Share of gross capital formation 2004	Share of imports of goods and services 2004	Share of central government expenditure 2004	Decision point as of Mar. 2006	Completion point as of Mar. 2006	
SUB-SAHARAN AFRICA	21,740	13,961	8,446	4.5	32.9	23.9	17.8	..			50,282
Angola	1,036	919	131	5.8	73.9	63.5	18.0	15.8			
Benin	343	191	168	9.3	46.2	51.2	47.9	46.5	Jul. 2000	Mar. 2003	460
Botswana	343	191	168	0.4	22.1	51.2	47.9	46.5			
Burkina Faso	553	299	278	12.6	47.6	66.2	77.0	55.9	Jul. 2000	Apr. 2002	930
Burundi	320	169	166	52.8	48.2	386.6	245.6	132.6	Jul. 2005	Floating	1,472
Cameroon	688	515	189	4.8	47.5	25.5	28.9	30.1	Oct. 2000	Floating	2,800
Cape Verde	126	82	49	14.7	282.4	72.3	35.8	49.4			
Central African Republic	95	50	50	8.0	26.2	45.6	105.4	58.9			
Chad	292	149	154	7.4	33.8	29.7	43.2	50.4	May 2001	Floating	260
Comoros	22	12	11	6.6	41.7	65.1	37.6	33.7			
Congo, Dem. Rep.	1,645	1,053	650	27.4	32.5	213.7	88.3	178.1	Jul. 2003	Floating	10,389
Congo, Rep.	105	42	68	2.7	29.9	11.0	11.0	9.3	Mar. 2006		2,881
Côte d'Ivoire	138	177	-43	1.0	8.6	9.2	3.8	4.9			
Djibouti	59	36	27	..	82.3	..	..	..
Equatorial Guinea	26	20	7	0.9	60.3	..	..	..
Eritrea	242	168	86	28.0	61.3	122.6	56.4	34.9			
Ethiopia	1,682	952	760	22.6	26.1	88.2	70.5	74.7	Nov. 2001	Apr. 2004	3,275
Gabon	34	21	14	0.5	27.7	2.1	3.4	2.4			
Gambia, The	58	11	51	15.7	42.5	55.8	26.7	50.3	Dec. 2000	Floating	90
Ghana	1,234	812	451	15.7	62.7	65.1	..	57.7	Feb. 2002	Jul. 2004	3,500
Guinea	256	165	101	7.4	30.3	68.6	39.4	42.5	Dec. 2000	Floating	800
Guinea-Bissau	69	26	48	28.2	49.5	213.9	78.9	57.1	Dec. 2000	Floating	790
Kenya	586	436	166	3.9	19.0	21.6	14.7	17.1			
Lesotho	93	31	68	7.5	56.8	18.2	8.3	17.9			
Liberia	197	153	48	42.8	65.0	346.8	78.5	307.5			
Madagascar	1,119	616	552	28.3	68.2	116.6	85.6	112.9	Dec. 2000	Oct. 2004	1,900
Malawi	432	280	166	25.0	37.8	163.8	55.0	57.0	Dec. 2000	Floating	1,000
Mali	516	299	241	11.6	43.2	61.1	49.6	51.4	Sep. 2000	Mar. 2003	895
Mauritania	163	75	96	11.7	60.3	54.5	19.4	36.8	Feb. 2000	Jun. 2002	1,100
Mauritius	34	13	25	0.6	30.7	2.6	1.6	2.4			
Mozambique	1,117	661	497	20.8	63.2	100.6	60.4	84.3	Apr. 2000	Sep. 2001	4,300
Namibia	164	119	34	3.1	89.1	12.3	8.5	9.1			
Niger	485	276	230	17.6	39.7	111.2	96.0	89.2	Dec. 2000	Apr. 2004	1,190
Nigeria	525	289	260	0.8	4.5	3.6	3.0	2.2			
Rwanda	426	198	250	25.5	52.6	124.5	169.4	97.7	Dec. 2000	Apr. 2005	1,400
São Tomé and Príncipe	30	20	12	58.5	218.5	169.5	91.8	65.5	Dec. 2000	Floating	200
Senegal	953	682	296	13.5	92.4	57.9	42.4	55.2	Jun. 2000	Apr. 2004	850
Seychelles	9	6	3	1.5	123.6	10.0	2.5	2.9			
Sierra Leone	326	147	196	33.2	67.4	316.8	..	128.4	Mar. 2002	Floating	950
Somalia	174	127	51	..	24.0	..	..	..
South Africa	560	420	156	0.3	13.6	1.6	1.3	1.1			
Sudan	821	696	112	4.1	24.8	18.2	33.5	22.3			
Swaziland	105	95	12	4.6	104.1	26.6	6.1	14.3			
Tanzania	1,583	929	714	15.4	46.4	83.8	73.8	75.7	Apr. 2000	Nov. 2001	3,000
Togo	55	47	9	3.0	10.3	16.5	7.3	20.4			
Uganda	1,062	627	475	17.0	41.7	75.5	87.7	72.6	Feb. 2000	May. 2000	1,950
Zambia	974	669	333	19.9	94.2	76.8	62.6	74.7	Dec. 2000	Apr. 2005	3,900
Zimbabwe	169	150	21	4.0	14.4	31.0	9.4	9.7			
NORTH AFRICA	2,578	1,887	677	1.2	19.4	12.5	9.1	..			
Algeria	279	209	78	0.4	9.7	..	..	..
Egypt, Arab Rep.	1,368	1,115	261	1.9	20.1	..	..	..
Libya	..	..	..	..	..	..	..	..
Morocco	636	354	242	1.3	23.7	5.6	4.3	4.7			
Tunisia	295	208	96	1.1	33.0	4.7	2.7	4.4			

**WORLD TRADE
ORGANIZATION**

WT/MIN(05)/ST/48
15 December 2005

(05-6013)

MINISTERIAL CONFERENCE
Sixth Session
Hong Kong, 13 - 18 December 2005

Original: Spanish

PARAGUAY

Statement by HE Mrs Leila Rachid
Minister for Foreign Relations

Some months ago, US President George W. Bush declared before the United Nations that the United States stood ready to eliminate tariffs, subsidies and other barriers in order to achieve the free flow of trade in goods and services.

A year ago, in September 2004, in this same context (the World Food Summit), leaders of European powers undertook before the Heads of State and Government of developing countries to do their utmost to eradicate hunger and poverty, considered to be the worst scourges to afflict humanity.

The pronouncements by the United States and the European Union together constitute the *raison d'être* of the Doha Development Agenda.

Nevertheless, the negotiations under this Round, which contain an implicit promise to raise living standards worldwide and alleviate poverty through the removal of trade distortions, may well collapse or achieve only a fraction of their potential.

Progress in these negotiations has been slow and poor since the very outset. The enthusiastically rhetorical speeches often delivered under this roof bear little relation to the intransigent stance taken by the leading actors on the stage of multilateral trade.

We are a long way from achieving the objectives which we set ourselves and proclaimed in July 2004.

Paraguay, a developing and land-locked country, is attending this Conference with a view to working towards an improved multilateral trading system and to campaigning for fair

APPENDIX V

WTO Ministerial Conference

treatment which takes into consideration the specificities, vulnerabilities and size of the economies of its Members.

However, the work that my country and the other developing country Members of this Organization strive to promote is failing to find support from nations with greater possibilities of influencing the final results of the Round.

The agriculture negotiations, a key element in the framework of the "single undertaking", not only have been deadlocked for some time, but also seem to tend to create new forms of protection and discrimination.

This situation is tangible evidence of the unwillingness on the part of our main trading partners to reach our development goals.

Very little remains of the original intention to reach an agreement on full modalities here in Hong Kong.

On the very eve of this Conference, we are in fact forced, once again, to reduce its levels of ambition or, as the Director-General of this Organization stated, to "recalibrate" our expectations, since the poverty of the offers submitted by the major exponents of the developed world has meant that any headway is impossible.

The Doha Round was baptized the "Development Round" in honour of the absolute necessity to raise the living standards of the majority of the inhabitants of this planet. This need still exists today and must be urgently met.

Changing times always bring new situations, new problems and new challenges in their wake, but they also give rise to new opportunities.

The Spanish philosopher José Ortega y Gasset, in his famous work "El tema de nuestro tiempo" ("The Modern Theme"), developed the theory that each period of history is characterized by a different issue and that the mission of our leaders is to detect this issue opportunely so as to address it appropriately and implement mechanisms to overcome the challenges which it presents.

If one issue takes precedence over all others nowadays, it is development. Never before in history have so many people possessed more than they can ever consume while so many others live in poverty, unable to meet even their own basic needs. Never before have so many unnecessary items been consumed while so many lack even the basic commodities. Never has the gulf between developed and developing countries been so wide. Never has there been so much affluence, or so much poverty.

The need for development makes itself strongly felt in most of our countries. Poverty, the sign of our times, is the most radical and unquestionable sign of inequality between human beings. Never before has poverty been so much a part of our daily lives, given

that, in a globalized world, we are fully aware of it; our own eyes bear witness to it and to its colour, profile and individual features.

It goes without saying that we recognize the primary responsibility of each individual State for its own development. However, now, more than ever before, there is also a need for fair multilateral trade rules which allow each and every one of us to interact in a fair market which is free of distortions.

The multilateral trade negotiations must not therefore continue to be treated as though they were "business as usual", but rather as a process with major implications for development in general and for human beings in particular.

More developed nations have the opportunity to transform this Doha Round into a vehicle for delivering global welfare gains. However, for this desire to become reality, those responsible for giving impetus to these negotiations have to make significant contributions which are capable of fostering global development and thus overcoming poverty in our regions.

Let us today reaffirm the very same conviction as was stated in Doha four years ago. We firmly believe that the World Trade Organization is the context in which we can collectively foster development.

This objective will, however, only be achieved by strong leaders capable of preventing what is referred to as the Development Round from leaving as its heritage the prosperity of a minority built on the economic decline and backwardness of the majority.

We must face the perils and challenges of our age together if we aspire to a peaceful and safe future where a human life, worthy of being so called, lies within the grasp of each and every inhabitant of our earth.

ORGANISATIONS

**Africa-Canada Forum, Canadian Council
for International Co-operation**

- Molly Kane, Co-Chair
March 22, 2005

Aga Khan Foundation

- Khalil Shariff, Chief Executive Officer
June 20, 2006

Agriculture and Agri-Food Canada

- Steve Verheul, Chief Agriculture
Negotiator
- Shelley St. George, Senior Trade Policy
Analyst — Multilateral Trade Policy
Division
June 8, 2005

**Association of Professional Producers of
Mali**

- Ibrahima Coulibaly, Manager of External
Affairs
March 8, 2005

Canada Africa Partnership on Aids

- Kevin Perkins, Executive Director
February 22, 2005

**Canadian Council for International Co-
operation**

- Gerry Barr, President-CEO
May 10, 2005

Canadian Council on Africa

- Lucien Bradet, President and CEO
- Isa Odidi, President and CEO,
IntelliPharmaCeutics, and Director,
CCAfrica
- Jean-François Gascon, Vice-President,
Africa, SNC Lavalin and Director
CCAfrica
- J. Perry Maisonneuve, Principal,
Northern Lights Franchise Consultants
Corp.

June 7, 2006

**Canadian International Development
Agency**

The Honourable Aileen Carroll, P.C., M.P.,
Minister of International Cooperation

May 11, 2005

The Honourable Josée Verner, P.C., M.P.,
Minister of International Cooperation

May 31, 2006

- Paul Hunt, Vice-President —
Africa and Middle East Branch

February 8, 2005

- Nadia Kostiuk, Director General —
Policy Strategic Planning and Technical
Services

February 9, 15 and 16, 2005

- Mario Renaud, Director General, Policy,
Planning and Management, Multilateral
Programs Branch

February 16, 2005

...

APPENDIX VI
List of Witnesses (Organisations)

Canadian International Development Agency (continued)

- Ric Cameron, Senior Vice-President
- Paul Hunt, Vice-President —
Africa and Middle East Branch
May 11, 2005
- Barbara Brown, Director General,
West and Centre Africa
- Michel Lemelin, Director General, East,
the Horn and Southern Africa
- Isabelle Bérard, Acting Director, Policy,
Strategic Planning and Technical
Services
- Ellen Wright, Manager, Governance,
Security and Communication Unit,
Canada Fund for Africa Secretariat
November 2, 2005
- Diane Vincent, Executive Vice-President
- Paul Hunt, Vice-President —
Africa and Middle East Branch
- Bruce Montador, Vice-President,
Multilateral Programs Branch
May 31, 2006

C.D. Howe Institute

- Danielle Goldfarb, Senior Policy Analyst
June 21, 2006

Citizenship and Immigration Canada

- Janet Siddall, Acting Assistant Deputy
Minister, Operations
- Marlene Massey, Acting Director, Africa
and Europe, International Region
- Bruce Scoffield, Director, Policy
Development and International
Protection, Refugees Branch
- Réналd Gilbert, Director, Economic
Immigration Policy and Programs,
Selection Branch
November 2, 2005

**Commission on Capital Flows to Africa
(by videoconference)**

- James Harmon, Chairman
April 13, 2005

**Conference of Ministers of Agriculture of
Western and Central Africa, Senegal**

- Baba Dioum, General Coordinator
May 17, 2005

**Council for the Development of Social
Science Research in Africa (CODESRIA)**

- Adebayo Olukoschi, Executive Director
April 19, 2005

Department of Finance

The Honourable Ralph Goodale, P.C., M.P.,
Minister of Finance

April 12, 2005

- Paul Boothe, Associate Deputy Minister
and G7 Deputy for Canada

April 12, 2005

- Bruce Rayfuse, Director
- John Davies, Chief

February 15, 2005

Développement international Desjardins

- Yvon Bernier, Senior Director, Africa
Region

April 13, 2005

**Embassy of the Great Socialist People's
Libyan Arab**

- H.E. Ahmed Ali Jarrud, Ambassador

June 14, 2005

**Embassy of the Islamic Republic of
Mauritania**

- H.E. Mahfoud Ben Deddach,
Ambassador

June 14, 2005

Embassy of the Kingdom of Morocco

- H.E. Mohamed Tangi, Ambassador

June 14, 2005

**Embassy of the People's Democratic of
Algeria**

- H.E. Youcef Yousfi, Ambassador

June 14, 2005

Embassy of the Republic of Senegal

- H. E. Amadou Diallo, Ambassador
- Mamadou Saliou Diouf, Minister
Counsellor
- Daouba Ba, First Secretary
- Ndong Dieng, Second Secretary

March 23, 2005

Embassy of the Republic of Tunisia

- H.E. Mohamed Saad, Ambassador

June 14, 2005

Ethio-Organic Seed Action, Ethiopia

- Dr. Regassa Feyissa, Founder and
Executive Director

March 8, 2005

Export Development Canada

- Klaus Büttner, Regional Vice President,
Africa, Europe and Middle East
- Jean-François Croft, Regional Manager,
Africa, Europe and Middle East

April 12, 2005

APPENDIX VI
List of Witnesses (Organisations)

**Foreign Affairs and International Trade
Canada**

The Honourable Peter MacKay, P.C., M.P.,
Minister of Foreign Affairs

May 16, 2006

- Anne Marie Bourcier, Director General
— Africa Bureau
February 8, 9 and 16, 2005
- Chantal Chastenay, Director a.i,
Maghreb and Arabian Peninsula Division
- Ulla Kourany, Senior Policy Advisor-
NEPAD, G8 Africa & Pan-African
Institutions
February 8 and 9, 2005
- Alexandra Wood, Deputy Director and
Trade Commissioner, International
Financing Division (TBF), Business
Support Unit
- Perry Calderwood, Director — Eastern
and Southern Africa Division
February 15, 2005
- Isabelle Roy, Acting Director — West
and Central Africa Division
- Sébastien Carrière, Desk Officer —
Political Affairs (Algeria, Libya,
Morocco). Maghreb and Arabian
Peninsula Division
February 16, 2005
- Doug George, Director, Intellectual
Property, Information and Technology
Trade Policy Division
- Bruce Christie, Director, Multilateral
Trade Policy Division

...

- Charles La Salle, Senior Trade Policy
Officer, Multilateral Trade Policy
Division
March 22, 2005
- Ian Ferguson, Director General, Africa
Bureau
- Tim Martin, Senior Director and Deputy
Head, Stabilization and Reconstruction
Task Force (START) Secretariat
- Wendy Gilmour, Director, Peacekeeping
and Peace Operations Group and Sudan
Task Force
May 16, 2006
- Robert Fowler, Personal Representative
of the Prime Minister for Africa (by
videoconference)
May 30, 2006

**Gender Centre for Research and Training
and ACORD (Agency for Co-operation
in Research and Development), Sudan:**

- Asha El-Karib, Director and Program
Manager
May 4, 2005

Government of Mali

- H.E. Amadou Toumani Touré, President
of Mali
- Badi Ould Ganfoud, Minister of Civil
Service, State Reform and Relations
with Institutions, Republic of Mali
- Moctar Ouane, Minister of Foreign
Affairs and International Trade,
Republic of Mali

...

Government of Mali (continued)

- Fanta Sylla, Minister of Justice and Keeper of the Seals, Republic of Mali

- Ousmane Thiam, Minister of Investment Promotion, Small and Medium-Sized Enterprises and Government Spokesperson, Republic of Mali

May 11, 2005

Government of Mozambique

- Venâncio Massingue, Minister of Science and Technology, Mozambique

May 31, 2005

High Commission for the Federal Republic of Nigeria

- H.E. Olufemi Oyewale George, High Commissioner

- Z.J. Gana, Minister (Economic)

- W.I. Ajogbor, Minister (Political)

- A. O. Enikanolaiye, Minister Counsellor (Visas and Information)

February 23, 2005

Institute On Governance

- Claire Marshall, Director

June 1, 2005

Interagency Coalition on AIDS and Development — Canadian Labour Congress

- Marie-Hélène Bonin, Board of Directors — Representative (Africa and HIV/AIDS)

February 22, 2005

International Development Research Centre (IDRC)

- Rohinton Medhora, Vice-President, Program and Partnership Branch

- Gerd Schönwälder, Teach Leader, Peace, Conflict and Development

May 31, 2005

International Monetary Fund

- Kevin Lynch, Executive Director

June 7, 2005

National Defence

- Colonel Denis Thompson, Director - Peacekeeping Policy

February 8 and 9, 2005

- Andrew Rasiulis, Director — Military Training Assistance Program

February 16, 2005

- General R.J. (Rick) Hillier, CMM, MSC, CD, Chief of Defence Staff

September 26, 2006

APPENDIX VI
List of Witnesses (Organisations)

National Institute for Scientific and Industrial Research of Zambia

- Mwananyanda Mbikusiata Lewankia, Executive Director

March 8, 2005

Network of West African Producers and Peasants Organizations (ROPPA), Senegal

- Ndiouga Fall, President

May 17, 2005

Northern Lights Franchise Consultants Corp.

- J. Perry Maisonneuve, Principal

April 12, 2005

Partnership Africa Canada

- Dorothee Gizenga Ngolo, Program Officer

February 22, 2005

- Ian Smillie, Research Coordinator

May 10, 2005

Southern and Eastern African Trade Information and Negotiations Institute (SEATINI)

- Rangarirai Machedmedze, Acting Director

May 17, 2005

The North-South Institute

- Ann Weston, Vice-President and Research Coordinator

March 22, 2005

Trade Facilitation Office

- Brian Mitchell, Director Africa

April 13, 2005

United Nations Economic Commission for Africa

- K.Y. Amoako Executive Secretary and United Nations Under-Secretary General

February 15, 2005

UPA Développement international

- André D. Beaudoin, Executive Director

March 22, 2005

World Bank

- Marcel Massé, Executive Director

May 11, 2005

INDIVIDUALS

Ayittey, George

Professor, Economics
American University

May 10, 2005

Boulden, Jane

Canada Research Chair in International
Relations and Security Studies
Royal Military College of Canada

April 20, 2005

Campbell, Bonnie

Professor, Political Science
Université du Québec à Montréal

April 19, 2005

Cooper, Frederic

Professor, Department of History
New York University

February 1, 2005

**Dallaire, Lieutenant-General (Ret'd)
Roméo**

February 14, 2005

Harker, John

President and Vice-Chancellor
Cape Breton University

April 19, 2005

Ighodaro, MacDonald

Professor, Sociology
Saint Mary's University

April 20, 2005

Kieran, Peter R.

President
CPCS Transcom

May 10, 2005

Ngoy, Kashimoto

June 1, 2005

Osei-Kwadwo Prempeh, Edward

Associate Professor of Political Science and
Sociology Carleton University

June 1, 2005

Stapleton, Timothy

Associate Professor, Department of History,
Trent University

February 1, 2005

Zachernuk, Philip

Professor, Department of History
Dalhousie University, and
President, Canadian Association of African
Studies

February 1, 2005

FACT FINDING MISSING TO AFRICA
OCTOBER 6 — 23, 2005

ETHIOPIA

Embassy of Canada to Ethiopia

- H.E. Yves Boulanger, Ambassador
- Marc-André Fredette, CIDA Director for Ethiopia
- Richard Le Bars, Senior Trade Commissioner
- Diane Briand, Second Secretary (Development)
- Amy Galigan, Third Secretary (Political Affairs)
- Telahun Workeneh, Trade Commissioner

October 8 - 12, 2005

African Union Commission

- H.E. Alpha Oumar Konaré, Chair
October 10, 2005
- Geoffrey Mugumya, Director, Peace and Security Division
- Bereng Mtimkulu, Head, Peace Support Operations Division
- Iyah Onuk, Project Manager, AU/UNDP Project
- Kwesi Aning, Consultant, Common African Security and Defence Policy and Counter-Terrorism
- Dia Mamadou, Analyst
- Diallo Boubacar Biro, Analyst
- Mathieu Kinouani, Analyst

- Ahmed Mokhtar, Policy Specialist (Early Warning)

October 11, 2005

Birki Water Users Association

- Three members of the Board

October 9, 2005

Embassy of Ghana

- H.E. John Aggrey, Ambassador

October 11, 2005

Embassy of Mali

- H.E. Al-Maamoun Keita, Ambassador

October 11, 2005

Embassy of Nigeria

- H.E. Olusegun Akinsanya, Ambassador

October 11, 2005

Government of Ethiopia

- Meles Zenawi, Prime Minister

October 12, 2005

Tigray Bureau of Agriculture and Rural Development

- Birhane Haile, Head, Agriculture Section
- Gebre Tsegay, Head, Agricultural Development
- Tsige Berhe, Rural Women's Development Team

October 9, 2005

Tigray Cooperatives Promotion Bureau

- Alem Kiros

October 9, 2005

APPENDIX VIII

List of Witnesses (Fact Finding Missions - 2005)

Tigray Finance and Economic Development

- Hailes Yohannes, Head, Planning Department

October 8, 2005

Tigray Regional Government

- Tsegaye Bereche, President

October 10, 2005

Tigray Water Resources Development Commission

- Hadera Haile, Deputy Commissioner

October 10, 2005

Tigray Women's Affairs Bureau

- Roman Gebreselassie, Head

October 10, 2005

UN Economic Commission for Africa

- Joséphine Ouedraogo, Acting Deputy Under Secretary
- Hakim Ben Hammouda, Director Trade and Regional Integration Division
- Augustin Fosu, Director, Economic and Social Policy Division
- Okey Onyejekwe, Manager, Development Policy and Management

October 11, 2005

Water Harvesting and Institutional Strengthening in Tigray (WHIST)

- Doug Edwards, Director

October 8 — 10, 2005

DEMOCRATIC REPUBLIC OF THE CONGO

Embassy of Canada to the Congo

- H.E. Jean-Pierre Bolduc, Ambassador
- Richard Pelletier, Counsellor, Head of Cooperation
- Stephen Randall, Counsellor
- Jean-Luc Lamother, Attaché (Security)

October 12 - 16, 2005

Action Paysanne pour la reconstruction et le développement intégral (APREDECI)

- Siméon Bitahwa

October 13, 2005

Action pour le Développement et la Paix Endogènes (ADEPAE)

- Saidi Obja

October 13, 2005

Banro Corporation

- Dan Bansah, Manager, Mineral Resources

October 13, 2005

Centre canadien d'étude et de coopération international — action citoyenne pour la paix (CECI ACIPA)

- Alexi Pezi
- A. Hanghy Lughuma, Development Adviser

October 13, 2005

Commission Nationale de Désarmement, Démobilisation et Réinsertion (CONADER)

- Patrick Ulrich

October 13, 2005

**Commission Provinciale de lutte contre
les violences sexuelles au Nord-Kivu**

- Désiré Balume, President
- Evariste Mabrucky

October 13, 2005

**Conseil des organisations des femmes
agissant en synergie (COFAS)**

- Véronique Kayowa

October 13, 2005

**Coopérative d'Épargne et de Crédit au
Kivus (COOCEC)**

- Celestin Ntahira

October 13, 2005

Doctors On Call for Services (DOCS)

- Dr Kalume Mushabaa Ally, Physician
Director
- Head, Child Protection, Eastern Sector,
UNICEF

October 13, 2005

Embassy of Belgium

- H.E. Johan Swinnen, Ambassador

October 16, 2005

Embassy of France

- H.E. Georges Serre, Ambassador

October 16, 2005

Embassy of the United Kingdom

- H.E. Andy Sparkes, Ambassador

October 16, 2005

Embassy of the United States of America

- H.E. Roger Meece, Ambassador

October 16, 2005

Free Methodist Church

- Linda Stryker

October 13, 2005

Héritiers de la Justice

- Roger Muchuba
- Maurice B. M. Namwira

October 13, 2005

Independent Electoral Committee

- Rev. Apollinaire Malu Malu, President

October 15, 2005

MONUC

- H.E. William Swing, Secretary-
General's Special Representative

October 15, 2005

- Alpha Sow, Head
- General Shujaat Ali Kahn, Commander,
South Kivu Brigade
- Mahand Ladjouzi, Head
- Brigadier General Satyanarayana,
Commander, North Kivu Brigade
- Lieutenant Colonel Rajesh Kaswan
- Lieutenant Colonel RK Gupta
- Lieutenant Colonel Praveen Badrinath
- Pernille Ironside, Adviser, Child
Protection
- Vanessa Kent, Officer, Political Affairs

October 13, 2005

**National Assembly of the Democratic
Republic of the Congo**

- The Honourable Olivier Kamitatu,
Speaker of the National Assembly
- The Honourable Moïse Nyarungabo,
President, RCD/Goma Group

APPENDIX VIII

List of Witnesses (Fact Finding Missions - 2005)

- The Honourable Baby Mbayi, President, Ex-government Group
- The Honourable Christophe Lutundula, President, Special Committee on Conventions
- The Honourable Annie Salumu, Vice President, DRC-Canada Friendship Group

October 15, 2005

Office of the President of the Democratic Republic of the Congo

- Azarias Ruberwa Manywa, Vice President, Policy, Defence and Security

October 16, 2005

Pharmakina

- Étienne Erny, Director General
- Horst Gebbers, Director General
- Michel Gebbers, Administrative Director

October 14, 2005

Réseau des Femmes pour la Défense des Droits et la Paix (RFDP)

- Venantie Bisimwa

October 13, 2005

Réseau d'Initiatives pour le Développement (REID)

- Thomas d'Aquin Muiti

October 13, 2005

Réseau Provincial des Organisations des Droits de l'Homme du Congo Sud-Kivu (REPRODHOC)

- Bosco Mwehemeri

October 13, 2005

Senate of the Democratic Republic of the Congo

- His Eminence Marini Bodho, Speaker of the Senate
- The Honourable Mokolo wa Pombo, President, Foreign Affairs Committee
- The Honourable Masegabio Sanzu, President, MLC Group
- The Honourable Jean-Léonard Ridja Dgoza, President, DRC/Goma Group
- The Honourable Omba Pene Djunga, Vice President, Ex-government Group
- The Honourable Cléophas Kamitatu Massamba, Senator

October 15, 2005

Société civile Nord-Kivu

- Jason Luneno Maene, President

October 13, 2005

Solidarité des femmes activistes pour la défense des droits humains (SOFAD)

- Serge Sudi

October 13, 2005

South Kivu Government

- Kaningini Didace, Governor

October 12, 2005

Synergie pour l'assistance judiciaire (SAJ)

- Eugène Muzawe

October 13, 2005

Union des Femmes Paysannes du Nord-Kivu (UWAKI)

- Anne-Marie Uboyo

October 13, 2005

NIGERIA

Canadian High Commission to Nigeria

- H.E. David Angell, High Commissioner
- Karen Garner, First Secretary (Political Affairs)

October 17 - 18, 2005

African Union

- Salim Ahmed Salim, African Union Special Envoy for the Darfur Talks

October 17, 2005

Centre for Democracy and Development

- Stella Amadi, Senior Program Officer

October 18, 2005

CIDA Program Support

- Kenna Owoh, Director

October 18, 2005

Department of Foreign Affairs

- N.U.O. Wadibia Anyanwu, Permanent Secretary
- O.O. George, Nigerian High Commissioner to Canada

October 18, 2005

Economic Community Of West African States (ECOWAS)

- Mohamed Ibn Chambas, Executive Secretary

October 17, 2005

Hope Eden Farm

- The farmer and his wife

October 17, 2005

IDASA

- Derrick Marco, Resident Director

October 18, 2005

IFES

- Charles Lasham, Resident Director

October 18, 2005

Local government, Gaube

- Village Chief

October 17, 2005

Nigeria Labour Congress

- Olaitan Oyerinde, Officer, International Affairs

October 18, 2005

Office of the President of Nigeria

- Amina J. Ibrahim, Senior Special Assistant to the President (Millennium Development Objectives)

October 18, 2005

Primary Care Medical Clinic, Gaube

- A community health-care worker

October 17, 2005

Primary school, Gaube

- School principal

October 17, 2005

Senate of the Federal Republic of Nigeria

- The Honourable Ibrahim Mantu, Deputy Speaker of the Senate
- The Honourable Jibril Aminu, Chair, Senate Foreign Affairs Committee
- The Honourable James O. Kolawole, Vice Chair, Senate Foreign Affairs Committee

APPENDIX VIII

List of Witnesses (Fact Finding Missions - 2005)

- The Honourable Mohammed Y. Anka,
Member, Senate Foreign Affairs
Committee

October 18, 2005

Transparency in Nigeria

- Auwal Ibrahim Musa, Director

October 18, 2005

United Nations

- Tegegnetwork Gettu, UNDP Resident
Representative and UN Resident
Coordinator in Nigeria

October 18, 2005

MALI

Embassy of Canada to Mali

- H.E. Isabelle Roy, Ambassador
- Josée Fluet, Counsellor (Cooperation)
- Steve Tremblay, First Secretary
- Ernest Akpoué, Counsellor, Public and
Political Affairs
- Cheick Sadibou Keita, Trade
Commissioner
- Christiane Verkerman
- Darquis Gagné

October 19 - 21, 2005

Association malienne des droits de l'homme

- Brahim Koné

October 20, 2005

Association pour la promotion de la femme et de l'enfant au Mali

- Ibrahim Tapano

October 20, 2005

Compagnie Malienne du Coton

- Individuals

October 21, 2005

Conférence des Ministres de l'Agriculture de l'Afrique de l'Ouest et du Centre

- Baba Dioum, General Coordinator

October 20, 2005

Coordination des Associations et ONG féminines

- Traoré Oumou Touré
October 20, 2005

Coordination des Associations et ONG féminines et Syndicat des Banques et Établissements financiers du Mali

- Keïta Fatouimata Lissako, Secretary General
October 20, 2005

Essor

- Brehima Touré
October 20, 2005

Forum social mondial

- Mamadou Goïta
October 20, 2005

Government of the Republic of Mali

- Issoufi Maiga, Prime Minister
October 20, 2005

Jubilé 2000 Mali et Coalition des alternatives africaines dette et développement

- Dounantié Dao
October 20, 2005

Peacekeeping School

- Battalion Commander J.L. Bonraisin
- Lieutenant Colonel Abdoulaye Samake
October 21, 2005

UPA-DI, Canada

- André Beaudouin, Director General
October 20, 2005

APPENDIX VIII
List of Witnesses (Fact Finding Missions - 2005)

**FACT FINDING MISSING TO THE
USA
NOVEMBER 9 — 10, 2005**

WASHINGTON, D.C.

**International Monetary Fund, Office of
the Executive Director (Canada)**

- Paul Jenkins, Senior Advisor
- Shawn Ladd, Advisor
- Sharmila Khare, Advisor

November 9, 2005

International Monetary Fund

- Mark Plant, Policy Development and Review Department;
- David Andrews, Africa Department
- Jean Alain Clément, Africa Department;
- Michaela Schrader, Public Affairs Officer, External Relations Department

November 9, 2005

World Bank

- Gobind Nankani, Vice President, Africa Region
- Mahmood Ayub, Director for Africa
- Mark Tomlinson, Director for Regional Integration
- Harry Broadman, Senior Economist (Office of the Chief Economist)
- Sona Verma, Senior Economist (Economic Policy and Debt Department)
- Mark Thomas, Senior Economist (Economic Policy and Debt Department)

- Dileep M. Wagle, Lead Specialist (Private Sector Development, Africa)
- François Nankobogo, Senior Operations Officer (Private Sector Development, Africa)
- Jean-Michel N. Marchat, Specialist (Private Sector Development, Africa)
- Sarah Cliffe, Program Coordinator (Country Services)
- Richard Scobey, Sector Manager (Agriculture)
- Mary Barton Dock, Sector Manager (Africa)
- Helga Muller, Sector Manager (Governance)
- Edith Wilson, Communications Advisor (Corporate Communications)
- Laura E. Bailey, Consultant (Country Services)

November 10, 2005

NEW YORK

**Permanent Mission of Canada to the
United Nations**

- H.E. Allan Rock, Ambassador
- H.E. Gilbert Laurin, Ambassador and Deputy Permanent Representative
- Heidi Hulan, Counsellor and Chief, Political Affairs
- Colonel Michael Hanrahan, Military Advisor
- Diana Rivington, CIDA Representative

- Michael Kovrig, Press and Public Affairs Officer
November 9 — 10, 2005

**Center on International Organization,
Columbia University**

- Edward Luck, Director
November 9, 2005

Earth Institute, Columbia University

- John W. McArthur, Associate Director of the UN Millennium Project
November 10, 2005

**Friends World Committee for
Consultation (Quaker)**

- Jessica Huber
November 9, 2005

**Office of the Special Advisor on Africa,
United Nations**

- Ejeviome Eloho Otobo, Acting Director
November 10, 2005

OXFAM International

- Greg Puley
November 9, 2005

**Permanent Mission of Mali to the United
Nations**

- H.E. Cheik Sidi Diarra, Ambassador
November 9, 2005

UNICEF

- Gerry Dyer, Chief, Humanitarian Response Unit
- Stina Ljungdell, Senior Program Funding Officer
- Dermot Cardy, Landmine Monitor Global Coordinator
- Hasmik Egjan, Program Officer
- Stephanie Kleshnitski, Program Officer
November 10, 2005

**United Nations Department of
Peacekeeping Operations**

- Dimitri Titov, Director (Africa)
- David Harland, Chief, Best Practices Unit
November 10, 2005

**United Nations Department of Political
Affairs**

- Christopher Coleman, Assistant Director (Africa)
November 9, 2005

United Nations Development Programme

- Bruce Jenks, Assistant Secretary-General, UNDP and Director of the Bureau for Resources and Strategic Partnerships
- Elizabeth Lwanga, Deputy Director
- Sam Barnes, Team Leader, Strategic Planning Unit
November 10, 2005

APPENDIX IX
List of Witnesses (Fact Finding Mission - 2006)

**FACT FINDING MISSING TO AFRICA
AND EUROPE
OCTOBER 4 — 19, 2006**

SENEGAL

Embassy of Canada to Senegal

- H.E. Louise Marchand, Ambassador
- Sébastien Carrière, Counsellor (Political)
- Nicolas Lepage, Counsellor (Commercial)
- Agathe Frappier, Counsellor (Co-operation)
- Luc Louis-Seize, Consul

October 5 — 6, 2006

**Agence de Promotion des Investissements
et des Grands Travaux**

- Souleye Wade, Director

October 5, 2006

As an individual

- Moubarak Lo, former economic counsellor in the cabinet of the Prime minister of Senegal

October 5, 2006

**Confédération nationale des Employeurs
du Sénégal**

- Fayçal Sharara, Vice-President

October 5, 2006

Développement International Desjardins

- Réal Véronneau, Technical Counsellor to PAMECAS

October 6, 2006

Government of Senegal

- The Honourable Macky Sall, Prime Minister
- Abdoulaye Diop, Minister of State, Minister of Economy and Finance
- Marie-Pierre Sarr Traoré, Minister of Small- and Medium-Sized Businesses, Women Entrepreneurship and Micro-Finance

October 6, 2006

IAMGOLD Corporation

- Eric Hanssen, Director of Exploration, Africa

October 6, 2006

**International Development Research
Centre (IDRC):**

- Gilles Forget, Regional Director

October 6, 2006

**Office of the United Nations Special
Representative to West Africa**

- Ahmedou Ould-Abdallah, Special Representative

October 6, 2006

**PAMECAS (Partenariat pour la
Mobilisation de l'Épargne et le Crédit
au Sénégal)**

- Mamadou Touré, Director General
- Samba Dia, Deputy Director General and Director, Finance and Administration
- Magatte Basse Diamé, Director, SME Financial Centre
- Saga Tall, Director, Training, Communications and Human Resources
- N'Deye Aisse Fall, PAMECAS client

October 6, 2006

Régénord

- Daniel Arseneault, Director General
October 6, 2006

Socere Lambert Somec

- Richard Norman, Director General
October 6, 2006

Transrail

- François Lemieux, Director General
October 6, 2006

SOUTH AFRICA

Canadian High Commission to South Africa

- H.E. Ruth Archibald, High Commissioner
- Neil Clegg, Senior Trade Commissioner
- Vincent Charron, Second Secretary (Political Affairs)
- Brennen Young, Trade Commissioner
October 10 — 11, 2006

Canadian Consulate General, Cape Town

- Christopher Brown, General Consul
October 9, 2006

Atomic Energy of Canada Limited

- Ala Alizadeh, Regional Vice-President, International Business Development
October 10, 2006

Banking Association of South Africa

- Cas Coovadia, Director General
October 10, 2006

BusinessMap Foundation

- Khehla Shubane, President and CEO
October 11, 2006

Development Bank of Southern Africa

- Jay Naidoo, President
October 11, 2006

Enablis

- Paul Lamontagne, President and CEO
October 9, 2006

First National Bank

- Gavin Tarr, Head, Commercial Banking
October 10, 2006

Government of South Africa

- Sue van der Merwe, Deputy Minister of Foreign Affairs
October 9, 2006

Hatch Africa

- Rory Kirk, Director General
October 9, 2006

Hofmeyr, Herbstein and Gihwala

- Mondli Sibisi, Senior Partner
October 10, 2006

Human Science Research Council

- Peter Kagwanja, Director, Democracy and Governance
October 11, 2006

APPENDIX IX
List of Witnesses (Fact Finding Mission - 2006)

Industrial Development Corporation of South Africa

- Lumkile Mondi, Chief Economist
October 11, 2006

Institute for Security Studies

- Cheryl Hendricks, Head, Southern Africa Human Security Program
October 11, 2006

Johannesburg Stock Exchange

- Noah Greenhill, Manager, Business Development
October 10, 2006

McCain South Africa

- Owen Porteus, Director General
October 9, 2006

National Treasury

- Elaine Venter, Director, Development and International Cooperation
October 11, 2006

National Council of the Provinces

- Peggy Hollander, Deputy Chairperson
October 9, 2006

National Council of the Provinces, Finance Committee

- Tutu Ralane, Chair
- E. Sogani, Committee Whip
- Two other members
October 9, 2006

NEPAD Business Foundation

- Reuel Khoza, Chair
- Lynette Chen, Chief Executive Officer
- Geoff Rothschild

- Roelof van Tonder
- Joe Fana Lalane
October 11, 2006

Nortel

- Magda Engelbrecht, National Manager
October 10, 2006

Office of the President

- Alan Hirsch, Senior Director, Economic Policy
October 11, 2006

SNC-Lavalin South Africa

- Patric Mercille, Vice-President, Mines and Metallurgy
- Jean-François Gascon, Vice-President, Africa
October 10, 2006

South Africa - Canada Chamber of Commerce

- Linsey Dyer, President
October 10, 2006

South African Institute of International Affairs

- Neuma Grobbelaar, Director of Studies
October 11, 2006

Trade and Investment Promotion Agency for the Western Cape Province (WESGRO)

- Nils Flaatten, A/ Director General
- Lindiwe Mavuso, Manager, Communications and Marketing
October 9, 2006

**University of Cape Town Graduate
School of Business**

- Frank Horwitz, School Director
- Elspeth Donovan, Professor
- Dave Kaplan, Professor
- Mills Soko, Professor and Director of Mthente

October 9, 2006

University of Pretoria

- Christopher Heinz, Director, Human Rights

October 11, 2006

KENYA

Canadian High Commission to Kenya

- H.E. Ross Hynes, High Commissioner
- Ian McKinley, Counsellor (Political Affairs)
- Don Butler, Senior Trade Commissioner
- Stephen Weaver, Manager (Development)
- Dominique Collinge, Manager (Immigration)
- Kym Henkee-Poole, Manager (Consular Affairs)
- Marc Tremblay, Manager (Defence)
- Curtis Ajmani, Second Secretary (Political Affairs)

October 12, 2006

African Trade Insurance Agency

- Peter M. Jones, Chief Executive Officer and Representative of Tiomin Mining

October 13, 2006

CIDA

- Mavis Nathoo, Governance Expert

October 13, 2006

DFID

- Simon Bland, Head, DFID Kenya

October 13, 2006

East Africa Business Council

- Many Chandaria, Founder

October 13, 2006

Fairmont

- Sean Billing, Head of the Transition Team

October 13, 2006

Government of Kenya

- Joyce Nyamweya, Deputy Minister, Secretariat of Development and Public Service Reform
- Joseph K. Kinyua, Deputy Minister, Department of Finance
- George Godia, Secretary of Education, Department of Education
- Julius M. Riungu, Consultant, Electrical Engineering, Department of Energy

October 13, 2006

Kenya Tea Board

- Samuel O. Ogola, Agricultural Manager

October 13, 2006

APPENDIX IX
List of Witnesses (Fact Finding Mission - 2006)

Kenyan Association of Manufacturers

- Steven Smith, President
 - Betty Maina, Chief Executive Officer
- October 13, 2006

Manitoba Hydro

- Don Priestman, Manager with Kenya Power and Light Corporation
- October 13, 2006

Queen's Quay and Syhper

- Mohan Chal, Representative
- October 13, 2006

Sameer Group

- Naushad Merali, President
- October 13, 2006

World Bank

- Colin Bruce, Head, Nairobi Office (Kenya, Eritrea, Somalia)
 - Sahr Kpundeh, Senior Public Sector Management Specialist
- October 13, 2006

THE NETHERLANDS

Embassy of Canada

- Esther Van Nes, Second Secretary (Political Affairs)
- October 16, 2006

As an individual

- Roel van der Veen, author of *What went wrong with Africa?*
- October 16, 2005

CORDAID

- Peter Konijn, Chief, Quality, Policy and Strategy Directorate
- October 16, 2006

Ministry of Foreign Affairs

- Sabine Blokhuis, Chief, National Environmental Policies Directorate, Sustainable Economic Development Department
 - Paul Zwetsloot, Chief, Development of Aid Methods and Tools Directorate, Effectiveness and Quality Department
 - Marriët Schuurman, Coordinator, Great Lakes Section, Africa Department
- October 16, 2006

OXFAM NOVIB

- Theo Bouma, Project Director
 - Ute Jansen, Chief, Eastern and Centre Africa Department
- October 16, 2006

DENMARK

Canadian Embassy to Denmark

- H.E. Fredericak Gregory, Ambassador
 - Peter van Brakel, Counsellor
- October 17, 2006

Danish Institute for Human Rights

- Morten Kjaerum, Executive Director
 - Monique Alexis
- October 17, 2006

Danish Institute for International Studies

- Steen Nordstrom, Research Unit on Defence and Security
October 17, 2006

Government of Denmark, DANIDA

- Holger Bernt Hansen, Chairman of the Board of DANIDA
October 17, 2006

Ministry of Foreign Affairs

- Johnny Flentø, Director, Africa Branch
- Anders Karlsen, Section Head, Africa Branch
- Ole Thonke
October 17, 2006

LONDON

Canadian High Commission to the United Kingdom

- H.E. James Wright, High Commissioner
- Guy St-Jacques, Deputy High Commissioner
- Ron Hofmann, Minister, Political and Public Affairs
- Elizabeth Reid, Counsellor (Economic Relations)
October 18, 2006

Chatham House

- Thomas Cargill, Manager, Africa Programmes
October 18, 2006

Commonwealth Business Council

- Mahan Kaul, Executive Director
- Gregor MacKinnon, Director of Programs
October 18, 2006

DFID

- Minouche Sharif, Director General for Regional Programs
- Andrew Kidd, Head of the Africa Growth Team
- William Kingsmill, Head of Growth and Investment
October 18, 2006

International Business Leaders Forum

- Zahid Torres-Rahman, Coordinator, Business Action for Africa Program
- Amanda Gardiner, Manager, Business for Social Responsibility
October 18, 2006

Oveseas Development Institute

- Karin Christiansen, University Researcher, Public Policies and in poverty and Centre of the Public Expenditures
October 18, 2006

Oxford University (by videoconference)

- Paull Collier, Professor of Economics
October 18, 2006