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# **FINDINGS AND RECOMMENDATIONS**

**AFRICA AND DEVELOPMENT COOPERATION –  
SUCCESSSES, PITFALLS AND AREAS  
FOR FURTHER REFORMS**

A Publication of the Knowledge Management Department of the African Capacity Building Foundation

# **AFRICA AND DEVELOPMENT COOPERATION –**

## *SUCCESSSES, PITFALLS AND AREAS FOR FURTHER REFORMS*

### **I. Introduction**

This issue of Findings and Recommendations summarizes Ms. Eveline Herfkens' perspectives on development cooperation as molded by her experiences, passion and outstanding commitment to growth-augmenting reforms on aid and trade for sustainable development results in Africa. Ms. Herfkens was the keynote speaker at the First Pan African Capacity Building Forum that was organized by the African Capacity Building Foundation on October 22-24, 2001 in Bamako, Mali. Currently the Executive Coordinator of the UN Millennium Campaign since October 2002, Ms. Herfkens served as the Netherlands Minister for Development Cooperation between 1998 and 2002, concurrently serving as a member of the World Bank and IMF Development Committee. She is also a member of the World Commission on the Social Dimension of Globalization, established by the International Labor Organization. Between 1996 and 1998, Ms. Herfkens served as the Ambassador Extraordinary and Plenipotentiary and Permanent Representative of the Netherlands to the UN, WTO and other international organizations. Between 1990 and 1996, Ms. Herfkens was an Executive Director of the World Bank Group in Washington DC. Prior to this, Ms. Herfkens served as Member of Parliament in the Netherlands (1981-1990); Member and Counselor-Treasurer of Parliamentarians for Global Action (1985-1990); Member of the Economic Committee of the Parliamentary Assembly of the Council of Europe; Co-organizer of the North-South Campaign; as well as Policy Officer in the field of development cooperation at the Netherlands Ministry of Foreign Affairs (1976-1981).

### **II. Perspectives**

Development assistance has been of benefit to developing countries over the years. It has helped to build physical infrastructural, human and institutional capacities and deliver some level of growth in recipient countries. Through civil society organizations, it has been instrumental in raising voices on the need for good governance, to stem the tide of corruption, and to promote development effectiveness of both aid and domestic resources.

Development assistance has equally had its negative results list. Traditional technical assistance has tended to supplant local capacity, undermine local knowledge and institutions and render recipient countries more vulnerable and dependent on aid. Reasons for these shortcomings are legion. Donor-driven projects are not derived from aid recipients' development priorities and are an expression of an attitude by donors that "they know better", "they lecture and recipients listen", "they give and poor countries receive", "they know and recipient countries learn", "they take care of things, because poor countries cannot"... Hence, as it was once said, when a professional from a donor country moves into a recipient country he/she is seen as an expert, but when a professional from a recipient country moves into a donor country, he/she is seen as an immigrant.

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*Ms. Eveline Herfkens in November 2007 shared here memoirs under the ACBF Senior Policymakers and Development Managers' Knowledge Management Program*

These and numerous other factors explain why aid has not succeeded in delivering development results in recipient countries. Trade is very important to developing countries. Yet, aid, because of donors' vested interests and recipients' development weaknesses remains a hugely attractive industry delivering billions of dollars annually to sub-Saharan Africa without tangible results.

In spite of this, Africans are not speaking out loud and strong enough on the need for reforms to make aid deliver results. They are also not raising their voices effectively enough to deal with distortions in trade. For instance, disbursement of resources on commitments made by the G8 at its Summit in Glenn Eagles, Scotland in July 2005 is virtually zero and the European Union Economic Partnership Agreements that are being signed with ACP countries are questionable. In summary, it is fair to note that:

- Aid that undermines recipient's capacity and sense of ownership of policies and programs cannot support sustainable growth. It perpetuates dependence.
- African countries, leaders and professionals are not speaking out enough in support of aid reforms. Their reticence weakens efforts by development cooperation ministers in donor countries who stand against vested interests that are paid out of ODA budget, and who seek reform in aid delivery mechanisms.
- Billions of dollars are still spent on expatriate staff and their perquisites. African governments should learn to say "No" to supply-driven and tied aid. They should also say "No" when doing business with a particular donor is just too costly.
- Governments, policies and institutions must work in Africa and citizens should be empowered to hold their governments accountable for results. This is the essence of democracy. The capacity of parliaments and civil society organizations needs to be stepped up in order to promote accountability by the governments. This, for long, will remain a vital area for intervention in capacity building.
- Mutual accountability between donor and recipient countries should be encouraged and the existing platform or mechanism reinvigorated.
- The Doha Development Agenda on trade is not delivering results. Distortions in trade in agriculture are still a major challenge. Until rich countries open up their markets and reform their agricultural policies, success in achieving MDG 1 on poverty and hunger in African countries will remain a mirage. Rich countries' agricultural subsidies are an unfair trade practice. They are crowding out African farmers and destroying the livelihoods of small producers.
- African countries should strive to earn their external resources on the international market than endure endless lectures by World Bank and IMF officials as well by Development Cooperation Ministers from rich countries. Many African governments are still too focused on maximizing aid than trade opportunities.
- African governments are not speaking out loud and hard enough on trade issues. Trade is more important than aid. Poor countries still have very weak capacity for trade negotiations. This is a crucial area for intervention in capacity building. For instance, not enough negotiations have gone into the Economic Partnership Agreements. Among others, these Agreements in the African context should:

- Yield to intra-African integration.
- Abstain from pushing Singapore or WTO-plus issues, which have the effect of creating burdensome obligations and distracting from or leading to inconsistency with development priorities.
- Not demand reciprocity, as there are attendant trade-adjustment costs to African countries, which need attention. Instead, the EU should grant real and tangible market access to African countries by dealing with non-trade barriers (NTBs), including granting more flexibility on rules-of-origin and inordinately burdensome health and environmental standards.

But then, African governments, leaders and professionals should also speak up and defend their own interests. It will be recalled that the Council of European Trade and Development Ministers met in the fall of 2007 with their African counterparts. At least two European Development Ministers took to task the Trade Commissioner, expressing doubt about the development impact of the EPAs. Not one African stood up and said, "I agree with the Dutch and the Italians on their observations on the EPAs." They just kept silent. It is extremely difficult then as a rich country to take issues with the European Trade Commissioner who would wonder whether we know African interests better than Africans themselves.

- African Finance Ministers should be more vocal about the quality of aid, and should relentlessly advocate changes in donor behavior.
- African leaders like the former president of Tanzania, Benjamin William Mkapa, who is known all over as a person with enormous credibility and integrity, and who possesses a record of effective leadership in economic reforms should continue to speak out on trade issues; poor performance by the G8, especially on Glenn Eagles commitments on which nothing has been delivered; and the quality of aid, among other issues.
- In speaking out in support of the efforts by some Development Cooperation Ministers who are doing the right thing in the area of trade and aid reforms, countries such as South Africa (that is not dependent on aid) and Nigeria (that should not) need to do a lot more on behalf of the continent.
- There are a lot of success stories on progress by African countries in the achievement of some of the MDGs. Ghana is on track to achieving the poverty goal; 10 countries have shown strong indications in achieving the education goal; Mozambique has made substantial progress on the infant mortality goal; Tanzania has progressed on most of the goals; Burkina Faso and Mali are on target to meeting a number of other goals, while Senegal is expected to secure the eighth goal. There are other promising cases as well.
- Africa countries must continue to invest in the building of capacity. The massive injection of billions of dollars in the old-fashioned technical assistance in Africa has failed to deliver development results. Technical assistance programs are not built on local knowledge and development priorities. This is undermining human and institutional capacity, perpetuating aid dependence and destroying people's motivation to take charge of their own futures.
- Development assistance should be driven and guided by recipient's development priorities and capacity building strategies. Development assistance that does not have a clear path to sustainable capacity building and growth is of little or no value. To this, Africans must say "No".

Thus, in all, Africa must take charge of its development, push for trade and aid reforms and continue to invest in the development of its capacity.

### **III. IMPLICATIONS FOR ACBF OPERATIONS**

Based on the foregoing, the Knowledge Management Department recommends the following for the Operations Departments:

1. ACBF, through its projects and programs especially the policy centers, should assist African countries that have initialed interim deals to revisit the Economic Partnership Agreements that were negotiated and provide a platform for revisiting these Agreements. The policy centres should lead the review process and make appropriate recommendations to their respective governments. A workshop should be held to share and document feedbacks by the policy centers.
2. ACBF, in collaboration with other partner institutions, especially UNECA, AfDB, NEPAD and AU Commission, should institutionalize an annual platform to review sticking aid and trade issues and continue to voice concerns and relentlessly press for progressive reforms.
3. ACBF, through its projects should raise voices on the composition of national teams for trade negotiation and encourage national authorities to have these teams strengthened with experienced professionals. Some of these professionals can be drawn from ACBF-supported policy centers and civil society organizations. A number of these institutions had in the past earned a place in such teams and brought substance to negotiations.
4. ACBF should be aware that support to parliaments and civil society remains an enduring core area in the building of capacity for promoting accountability by governments for development results. The Foundation's core competency area of Professionalization of the Voices of Civil Society and the Private Sector is therefore crucial to the building of capacity to strengthen accountability by governments for development results.
5. ACBF should partner with UNECA and OECD/DAC, among others, to strengthen the platform for mutual accountability between donors and African countries that are recipients of development assistance.



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