



AFRICAN FORUM AND NETWORK
ON DEBT AND DEVELOPMENT

Contributing to Africa's inclusive economic growth and sustainable development

ANNUAL REPORT

2016

Domestic resource mobilization | Debt management | International Public finance

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WORD FROM THE EXECUTIVE DIRECTOR



The year 2016 was the first year of implementation of our new Strategic Plan 2016 – 2020. AFRODAD registered a number of key achievements from its programme areas in relation to research and advocacy. The progress made so far is in line with the overall organisation strategic goal to “influence African governments to institute and implement policies and practices for sustainable development and eradication of poverty” in Africa.

Our work under the Domestic Resource Mobilization portfolio contributed to the development and implementation of transparent, accountable and efficient mechanisms for mobilization and utilization of domestic resources in Africa. In 2016, AFRODAD contributed immensely to the strengthening of the extractive industry revenue management through: capacitating Members of Parliament on revenue management in Swaziland and through the 2016 Summer School that was attended by Members of Parliament from South Africa, Democratic Republic of Congo (DRC), Zimbabwe, Botswana, Malawi, Zambia, and Namibia. Our collaboration with the Southern African Development Economy (SADC) Parliamentary Forum was key to the success of these trainings. Informed parliamentarians will be able to perform their roles in parliament on issues to do with governance of natural resources.

Under our Debt Management Portfolio, we recognise that debt financing is one of the key levers for financing the 2030 Agenda for Sustainable Development as agreed at the Financing for Development Conference in July 2015 at Addis Ababa, Ethiopia. A number of Sub-Saharan African countries have seen their debt grow, partly due to the issuances of sovereign bond in recent years. Since 2015/16, the African countries

economic growth has been slow, due to falling commodity prices and depreciating currencies which often lead to unsustainable debts and these end up on the public sector balance sheet. Our advocacy work in 2016 on issues of debt sustainability was very visible and effective in selected countries. Key was advocacy for the adoption and implementation of Principles for Responsible Sovereign Lending and Borrowing as well as advocating for rules-based approach to sovereign debt workouts to increase the predictability and timely restructuring of debt when required, with fair burden sharing.

The AFRODAD's International Public Finance portfolio in 2016 sharpened research, policy analysis and technical experience in addressing issues of development effectiveness. Key achievement was our contribution to advocacy efforts for the adoption of the Nairobi Outcome document of the Global partnership for effective development co-operation from the Second High Level Meeting on Aid effectiveness held from 30th November to 1st December 2016 in Nairobi, Kenya.

AFRODAD is very grateful to its funding partners whose financial support made the work possible. We also thank our collaborative partners without whom we wouldn't have been able to achieve as much especially at national level. I am also grateful to AFRODAD's Board and staff members of the Secretariat whose support is invaluable. Enjoy reading the report!

Dr. Fanwell Bokosi, PhD

Domestic Resource Mobilisation

AFRODAD'S IMPACT

IN 2016

The African continent has suffered from economic slowdown due to weaknesses in the global economy and price falls of key commodities. Consequently, AFRODAD as a civil society worked harder to ensure that the recovery is supported by domestic demand, prudent macroeconomic management and favourable external financial flows. Many countries in the region have great prospects of economic recovery when economic measures are adopted at the national level. Our 2016 achievements are showcased below and will be the building blocks for our 2017 plans, activities and results.

The Domestic Resource Mobilization portfolio key achievements

Domestic resource mobilization is a key focus area of AFRODAD work designed to contribute to the development and implementation of transparent, accountable and efficient mechanisms for mobilization and utilization of domestic resources in Africa. The extractive sector, particularly minerals, oil and gas has huge potential to mobilize resources for development in Africa. However, this potential is stifled by the lack of transparency and accountability mechanisms. In 2016, AFRODAD immensely contributed to the strengthening of extractive industries revenue management.

Activities and Results

1. Summer School/ Mining Tax Laws Module

In 2016, AFRODAD embarked on promoting fair, transparent, equitable and improved taxation systems in Africa through the engagement of key stakeholders such as Parliamentarians and CSOs to share their experience in executing their mandates in advocating for a fair and effective tax system for financing development in their respective countries. Annually, AFRODAD organises a Summer School Training and the 2016 one was conducted from 24th to 28th October 2016 in Pretoria, South Africa. It was attended by 9 parliamentarians from the SADC PF Standing Committee on Food,

In 2016, AFRODAD embarked on promoting fair, transparent, equitable and improved taxation systems in Africa through the engagement of key stakeholders such as Parliamentarians and CSOs to share their experience in executing their mandates in advocating for a fair and effective tax system for financing development in their respective countries.



Cephas Makunike delivering the module

Annually, AFRODAD organises a Summer School Training and the 2016 one was conducted from 24th to 28th October 2016 in Pretoria, South Africa. It was attended by 9 parliamentarians from the SADC PF Standing Committee on Food, Agriculture and Natural Resources (including the chairperson of the committee), various media and CSO members from across the SADC region.

One of the modules delivered was on Mining Tax Laws. The main purpose of this module was to equip participants with general knowledge and

skills on basic principles of natural resource tax regimes (tax policy and tax laws) to enable them to play an influential role in monitoring and influencing tax justice and natural resource policy/law formulation and reforms. Discussions also centred on identifying some of the challenges that limit the designing of competitive mining fiscal regimes that would enable countries to receive an equitable share of revenue from their mineral assets over the long term and thus recommendations were

made on the same. Participants were urged to check and promote the following for their respective natural resource sectors: i) that the fiscal regime ensures that government receives a rising share of the revenues with rising profitability of mining activities (progressivity); ii) that the fiscal regime guarantees an appropriate minimum government revenue in all production periods and price cycles (stability); and iii) That the fiscal regime ensures robustness to changing circumstances (stability and flexibility).

2. The 7th Alternative Mining Indaba

AFRODAD actively participated at the 7th Alternative Mining Indaba that was held in Cape Town from 8th to 10th February 2016. The annual event usually gives AFRODAD an opportunity to present papers, lead discussions and share experiences. Over 350 members of civil society organisations; faith based organisations, Pan-African networks and organisations, labour movements, industry associations, media, international partners and community based organisations were present to share experiences and deliberate on the role and the impact of extractives on communities. Delegates noted that Africa remains richly-endowed with a diversity of mineral resources yet its citizens are among the poorest in the world. The important role that mining and mineral resources play in the livelihoods of millions of African citizens was emphasized.

Outcome

The Indaba discussions centred on the global commodity price decline whose negative impact affected many countries that rely on mineral-exporting. While transnational corporations pursue profit, there is need for benefits accruing from mining to be shared by the greater majority of Africa's citizenry. Mining communities are excluded from decision-making and benefit processes of mining companies. The 350 delegates ended their deliberations by issuing a declaration that called upon African governments, the United Nations, African Union, international financial institutions, transnational mining corporations and other corporate mining entities, fellow civil society organisations to join hands in pursuing justice in the exploitation of minerals.

3. Strengthening capacity for Swaziland Members of Parliament on revenue management

The Southern African Resource Barometer (SARB) was approved and adopted by the 34th SADC PF Plenary Assembly in Arusha, Tanzania in October 2013 and was subsequently launched in December 2013, in Lusaka,

Zambia with collaboration from the National Assembly of Zambia and AFRODAD. Because of the recognition of AFRODAD's contribution to this subject over the years, SADC PF invited AFRODAD to make a presentation on a

"Regional Perspective of Natural Resource Governance in Southern Africa" with a focus on mining on the 29th February 2016 in Mbabane, Swaziland.

Since then, there have been several training of Parliamentarians in DRC, Lesotho and Zimbabwe as pilot countries and later in Malawi, South Africa and Zambia. This was the fourth training to be conducted and was for Swazi Parliamentarians. The training was opened by remarks from Dr. Esau Chiviya, Secretary General of the SADC Parliamentary Forum (SADC PF) and it was officially opened by Rt. Hon. Themba Msibi, MP who is the Speaker of the National Assembly of Swaziland.

The training workshop saw presentations made on the following themes: (i) General Principles and Guidelines - SADC PF; (ii) Regional Perspective of Natural Resources Governance in SADC- AFRODAD; and (iii) Extractive Companies – Natural Resource Governance, OSISA. Other topics covered included: Institutional Context of Resource Management in Swaziland; Negotiation for Mining Contracts; Corporate Social Responsibilities; Revenue Sharing, Transparency and Utilisation; Artisan and Small Scale Mining; Gender and Extractive Industries; Operational Phase; Labour Working Conditions, safety and Health Issues; Human Rights, Communities and Mining Operation; Closure and Completion Phase; Mining Act Development and Mining Act Implementation.

The training workshop was a platform for AFRODAD to showcase its position in being a leader in training on the issues of Extractives. Through the presentations made and discussions that followed, the organization remained at the centre for extractive issues on the continent. Through distributing and showcasing organisational publications to global participants, the organisation gained a lot of publicity/visibility and should expect more feedback and comments on its work throughout the year. Through networking and discussions with SADC PF, it was agreed that AFRODAD will be a permanent presenter of any future training of MPs in the region. SADC PF committed to facilitating the attendance of MPs at AFRODAD summer schools and MPs events to be organised in the year.

4.Domestication Africa Mining Vision

The African Union, through the African Minerals Development Center (AMDC) and its implementing partners; the United Nations Development Program (UNDP); African Development Bank (AfDB) and the Economic Commission for Africa (UNECA) in partnership with African and global civil society actors including AFRODAD organised a Roundtable discussion on the "Africa Mining Vision and the Mineral Sectors: Towards a Harmonised Governance Framework".

Roundtable discussions on the Africa Mining Vision and the Mineral Sectors took place from the 20th to the 27th of March 2016, in Addis Ethiopia and Dar es Salaam, Tanzania respectively.

This Roundtable brought together a broad range of state and non-state actors at the national, regional and continental levels to deliberate on the development of a practical cross-cutting, harmonised framework to monitor the governance of Africa's Mineral sectors under the auspices of the African Mining Vision (AMV). AFRODAD presented on the African region revenue management problems in the extractive sector in the context of fluctuating commodity prices.

The outcomes of the Roundtable included:

1. *A broad consensus among multi-level stakeholders at the Pan-African level, national governments, RECs, civil society, Mineral companies and the private sector on the importance of a continental Mineral sector governance framework based on the AMV;*
2. *A Roadmap and Multi-Stakeholder Taskforce for the development of an African Framework for Mineral Sector Governance under the auspices of the AMV, with resourced, time-bound, institutional responsibilities;*

3. *Stimulated and fostered a collaborative relationship between state and non-state actors, particularly African civil society, at the continental, regional and national levels for civic oversight over the governance of Mineral sectors.*

Through this roundtable AFRODAD managed to identify synergies, and foster collaboration between existing mechanisms for Mineral sector governance within the AU, UNECA, AfDB, UNDP and other Pan-African institutions, national governments. At the roundtable AFRODAD was requested to attend a key stakeholders meeting that was held from the 11th -15th of April in Accra, Ghana to finalize the AMGF and the AU Ministerial Conference for Mines and Mineral Resources that took place in May.

Recognizing that revenue mobilisation from the mining sector is key in the ongoing domestic resource mobilisation efforts aimed at ensuring that Africa becomes self reliant and finance its own development, AFRODAD commissioned a study on **"Assessing national mining legal frameworks and policies in selected SADC countries against the Africa Mining Vision and SADC Protocol on Mining"**. The study country focus was on eight countries namely Angola Botswana, Malawi, Mozambique, Tanzania, South Africa, Zambia and Zimbabwe.

The overall purpose of the study was to provide information on what needs to be done by various stakeholders in order to advocate for the development and implementation of improved policies and legal frameworks governing the extractive industries in the selected countries of the SADC region. Assessment against the Africa Mining Vision was mainly on the Mining Revenues and Mineral Rents Management implementation cluster whose main goal is “to create a sustainable and well-governed mining sector that effectively garners and deploys resource rents”.

By the end of the 2016, a draft report on the first four countries (Angola, Botswana, South Africa and Zimbabwe) was produced and the preliminary findings will be launched at the upcoming Alternative Mining Indaba in February 2017, in Cape Town. Research work on the other four countries (Mozambique, Tanzania, Malawi and Zambia) is ongoing and it will be finalised in the first quarter of 2017.

Another “**study on assessing the drivers and impacts of fluctuating commodity prices on government revenues in the SADC region (Angola, Democratic Republic of Congo-DRC, Zambia and Zimbabwe)**” is ongoing. Its TORs were developed and shared with the **Open Society Initiative for Southern Africa (OSISA)**, AFRO-DAD’s financial partner. The overall purpose of the study is to strengthen the evidence base and deepen understanding on the drivers and impacts of fluctuating commodity prices on government revenue in the SADC region. The study is expected to be complete in March 2017 and will be followed by national advocacy meetings with the Government, Parliamentarians and CSOs in the various study countries from May to July 2017.

Illicit Financial Flows

1. Summer School on Natural Resources Southern Africa

The 2016 Summer School Training on “Natural Resources: Revenue Management & Illicit Financial Flows” was held from the 24th to the 28th of October 2016 in Pretoria South Africa. SADC Parliamentary Forum invited Members of Parliament to the summer school. The Summer School aims at enhancing the capacity of CSOs, parliamentarians and the media to scrutinize government policy and engage on issues of revenue management, illicit financial flows and other natural resource governance issues.



Dr. Fanwell Bokosi delivering one of the modules

Though Africa is hugely endowed with natural resources, there are concerns that the mobilisation and utilisation of proceeds from the natural resource sector has not translated into meaningful and tangible benefits for the continent. Africa has remained characterised by poverty, lower economic growth, conflict, war and civil strife - a situation that has been widely described as the 'resource curse'. Poor revenue management emanating from weaknesses in the mining policies and mining legal & regulatory frameworks such as lack of transparency, weak accountability and lack of independent enforcement and oversight bodies have been identified as some of the factors that have limited the development outcomes of natural resources exploitation. These weaknesses have also inevitably contributed to the growth of IFFs, which have been depriving African countries of urgently needed resources for investment into critical socio-economic development

objectives, thus further hindering poverty alleviation and inclusive development on the continent.

Among other factors, lack of transparency and weak accountability are identified to be driven by the lack of involvement of relevant stakeholders in the whole extractive industry value chain. The participation of parliament, civil society organisations (CSOs) and the media in shaping policy decisions is a general rule of good governance that ensures checks and balances regarding the work of the executive in important issues related to the governance of the natural resource sector. However, in most cases, these groups are excluded in such discussions. Furthermore, the issues related to natural resource governance such as tax justice and illicit financial flows are highly complex and technical such that legislators, CSOs and the media require adequate capacity building on the same to enable them to effectively en-

gage if given the opportunity to be part of any negotiations or policy decisions related to the extractive sector. Conversely, under most government programs, the capacity building of these groups is generally neglected, resulting in their limited knowledge and capacity to meaningfully engage in policy discourses which end up being dominated by the executive.

Thus, the limited knowledge of these various non state actors on these issues compromise their efforts towards effectively mobilizing domestic resources from the natural resource sector for financing the continent's development agenda. In addition to struggling with conducting empirical research that can influence illicit flows and extractives related policies, members of the civil society also lack capacity to effectively demand transparency in tax authorities' operations and request accountability on governments' use of natural resources tax revenues. Journalists also grapple with conducting investigative research into tax, illicit financial flows and extractive sectors beyond the press releases issued by tax authorities and mining companies among others. On the other hand, Parliamentarians remain constrained in passing laws that ensure efficiency and fairness in generating and using natural resource revenues and curbing illicit financial flows.



Class of Summer School 2016, Pretoria, South Africa

The School noted that there is need for both MPs and CSOs to be fully conversant of the Africa Mining Vision and its implementation Plan particularly the clusters on Mining Revenues & Mineral Rents Management and Mineral Sector Governance so that they can effectively follow up their respective governments on all the identified actions at national and regional level. There is also need for both MPs and CSOs to be fully aware of the recommendations of the High Report of the High Level Panel on Illicit Financial Flows from Africa so that they can also follow up their respective governments on the implementation of recommendations to stop illicit financial flows. Accountability structures in African countries need to be strengthened so as to promote responsible behavior by mining companies. Mining fiscal rules were identified to be meaningless if they are not meaningfully enforced. In this regard the need for effective enforcement of mining fiscal rules was highlighted as very important.

Building on the successes of both the 2015

and 2016 Summer schools, AFRODAD 2017 plans have prioritized the Summer School as one of its flagship events. Resource mobilization will be enhanced and participation widened.

2. Research

Research on “Assessing the developmental impacts of Illicit Financial flows from the SADC region”.

AFRODAD commissioned a study on “Assessing the developmental impacts of Illicit Financial flows from the SADC region”. The countries of focus were Angola, Botswana, Malawi, Mozambique, South Africa, Tanzania, Zambia and Zimbabwe. This study is premised on the realisation that though the issue of IFFs has rapidly risen on the political agenda, and some concrete policy changes have been adopted, the highly technical nature of illicit financial flows coupled with the limited availability of data and knowledge of their developmental impacts is imposing constraints on policy responses and advocacy efforts. Given that the selected countries are highly dependent on extractive industries and thus have high incidence of IFFs, the study aimed at developing and strengthening global CSO awareness on the developmental impact of illicit financial flows so as to guide advocacy work aimed at influencing rights holders to contribute to improved policies and legal frameworks governing the curbing of IFFs. The study was concluded towards the end of 2016 and draft report will be launched at

the 2017 Alternative Mining Indaba, February Cape Town.

With the view of promoting the fight against IFFs at policy level-nationally, regionally and internationally, AFRODAD used its 2016 Summer School on ‘Natural Resources – Revenue Management and Illicit Financial Flows’, platform. It has since emerged that most governments are not yet fully implementing the recommendations of the report of the “High Level Panel (HLP) on Illicit Financial Flows from Africa”.

The Summer school IFFs module gave an overview of recent developments in Africa on IFFs, with special focus on the Report of the High Level Panel on IFFs from Africa which contains detailed information on trends and causes of IFFs from Africa over the past years with recommendations on how governments can stop these flows respectively. Discussions also focused on the developmental impacts of these IFFs and thus the urgent need for all participants to continuously lobby their governments to put measures to reduce and stop them.

Debt Management

3. Civil Society and Parliamentarians Dialogue/Conference on Illicit Financial flows.

The conference was planned for end of 2016, but couldn't take place due to timing. The preparations for the dialogue will begin in January 2017 in discussion with our global network partners (EURODAD, LATINIDAD and JSAMPDD) with a view host it the last week of February 2017.

2.2 Debt Management portfolio key achievements

Debt financing is one of the key levers for financing 2030 Agenda for Sustainable Development as agreed at the Financing for Development Conference in July 2015, Addis Ababa, Ethiopia. A number of Sub-Saharan African countries have seen their debt grow, partly due to the issuances of sovereign bond in recent years. Since 2015/16, African countries' economic growth has been slow, due to falling commodity prices and depreciating currencies, which often lead to unsustainable debts. Unsustainable private debts end up on public sector balance sheets. Our advocacy work in 2016 on issues of debt sustainability was very visible and effective in selected countries.

Improving government transparency and accountability on public debt

1. Responsible Borrowing

Responsible lending and borrowing is key to maintaining debt sustainability in most African countries. To achieve this objective, the following activities were planned and implemented at varying levels. At the beginning of the year we started a process of updating, publishing and translating the first draft of the revised Charter which will be produced by the first quarter of 2017 and translated into five languages: English, French, Portuguese, Arabic, and Swahili. There is global consensus on the need for Guidelines for responsible lending and borrowing for debtor and creditor.

2. National Workshop on New Debt Crises in Mozambique - Challenges and Options for Civil Society 22nd to 23rd of June 2016, Maputo

In 2016, a number of opportunities enabled us to lobby and advocate for responsible lending and borrowing principles, using Borrowing Charter principles and guidelines. During a *National Workshop on New Debt Crises in Mozambique - Challenges and Options for Civil Society held from the 22nd to 23rd of June 2016*, AFRODAD in collaboration with our Mozambique national partner, Mozambican Debt Network Grupo da Dívida (MDG), lobbied for improved government transparency and accountability on public debt. Mozambique is one out of presently 36 countries, which have obtained substantial debt relief under the Indebted Poor Countries (HIPC) and Multi Lateral Debt Relief Initiative (MDRI), since the mid-1990s. Ten years after the initiative's completion point, however, the country is again faced by new debt crises characterized by public over-indebtedness, with painful consequences on the economy at large, and on poor people.

Reasons at the bases of the new crisis lie mainly on fragile governance: insufficient legal provision, weak enforcement of Law, weak institutions and conflict of interest. On the other hand, it is to blame some international financial agencies for providing easy access to their lending, regardless of the priorities of the people in the country

The workshop saw civil society calling the Government to adapt prudent debt management measures and hold it accountable for future borrowings.

The government of Mozambique revealed US\$2.1 billion in hidden state guarantees for three parastatal enterprises that resulted in the International Monetary Fund (IMF) halting all disbursements under its current program with the country. Mozambique latest Article IV report of the IMF reveals even more profound challenges and a fundamental shift in the economic model of the country. After HIPC/MDRI debt relief the country's external debt has started to rise again, mostly in order to cover the huge infrastructure financing needs. However, what started as a slow and controlled process became an avalanche of new external resources flowing into the country in the last five years

At the workshop we raised concerns that the current measures would not sufficiently protect the public finances from the fallout of an eventual crisis in the private sector given the country's weak institutional and governance capacity. The consequences for Mozambique's economy and people may be devastating. As civil society at the workshop, we pushed hard for the government to restore transparency and engage the people into a serious debate about the country's debt future.



Dr. Fanwell Bokosi addresses the conference



3. AFRODAD jointly organised Side Event at the IMF/WB 2016 Annual Meetings - 7th October 2016 – Government Bonds and Responsible Finance.



AFRODAD together with EURODAD, and SLUG-Debt Justice Network Norway organised a side event during the IMF/WB 2016 Annual Meetings Civil Society Policy Forum, on the 7th October 2016, on Government Bonds and responsible finance. The discussions revealed that many African states that received debt cancellation through the HIPC Initiative have accumulated debt at a rapid pace over the past decade, particularly through the issuance of dollar denominated sovereign bonds on the international capital markets. The sovereign bonds were issued in the context of favourable global conditions due to low interest rates in the US and Europe and high commodity prices. However, with falling commodity prices, interest rates rising in the United States, and global volatility and uncertainty in the wake of Brexit, global conditions are not so favourable anymore. Many African countries are at risk of not being able to repay the debt that they have accumulated.

While responsible lending and borrowing has been pushed for bilateral and multilateral borrowing, the responsible lending aspect pertaining to investments in governmental bonds has not been appropriately addressed. AFRODAD was on the panel and presented the principles and guidelines in the upcoming revised Charter.

4. Regional Debt Profiles

Regional and national debt profiles are key for AFRODAD effective lobby and advocacy campaigns and efforts. They provide the intelligence and basis for our policy interventions in countries threatened by debt or about to fall into debt trap again. The debt profiles inform our lobby and advocacy activities through showing us countries whose debts are rising sharply and raise the red flag with responsible authorities. Independent researchers and students make use of the profiles online for their own work. As per the 2016 debt work plans, we have been compiling regional debt profiles for Eastern (ECA), Southern African (SADC), West Africa (ECOWAS), Central Africa (CEMAC) and North Africa (Maghreb) countries. These profiles provide debt indicators, relevant statistics and debt trends and developments. They will be published by the end of the year.

International Fair and Transparent sovereign debt restructuring

1. UNCTAD 14 Conference and Civil Society Forum - 15th - 22nd July 2016, Nairobi, Kenya

On the 10th of September 2015 the United Nations General Assembly adopted a resolution on principles to guide sovereign debt restructuring processes. The resolution meant that the UN General Assembly has declared that sovereign debt restructuring processes should be guided by nine basic principles: sovereignty, good faith, transparency, impartiality, equitable treatment, sovereign immunity, legitimacy, sustainability and majority restructuring. As one of our lobby activity around the demand for an International Fair and Transparent sovereign debt restructuring

mechanism and the nine principles to guide sovereign debt restructuring processes, AFRODAD in collaboration with other global debt networks organised side events during the UNCTAD 14 Conference and Civil Society Forum held from the 15th to the 22nd of July 2016, in Nairobi, Kenya. The UNCTAD 14 Conference was attended by stakeholders in development including Heads of State and Government, Ministers and representatives of governments, international institutions, non-governmental organizations, academic institutions and the private sector. It sets UNCTAD's mandate and work priorities

and, thanks to its design of formal and informal sessions, facilitates dialogue on the world's key and emerging issues affecting the global economy, discusses policy options and formulates global policy responses. The Conference includes high-level round tables on key issues in the international economic debate. Informal thematic side events are also held with the aim to promote interactive discussions on development issues.

The Civil Society Forum preceded the official opening of UNCTAD 14 to allow participating organizations to discuss UNCTAD's work in the context of the 2030 Agenda for Sustainable Development, build consensus on the conference agenda, prepare their inputs to the conference debates, and finalize the Civil Society Declaration, which is presented at the opening plenary. AFRODAD as part of the CSO that participated in the lobbying for a progressive UNCTAD XIV Outcome document was happy because the Outcome Document reaffirmed the mandates of UNCTAD institutions to continue working on:

- The global macroeconomic and financial trends exposed and created by the global financial crisis, their systemic sources and their spill-over in developing countries;
- On responsible lending and borrowing and a range of other debt issues;
- On Financing for Development, through a newly-created Inter-Governmental Expert Group;
- On South –South and regional economic cooperation arrangements.



Kenyan President Uhuru Kenyata opening the UNCTAD 14

2. Roundtable on debt crises in Sub-Saharan Africa and on sovereign debt workouts, 15th July, Nairobi Kenya.



On the 15th of July, AFRODAD, KENDREN, Friedrich-Ebert-Foundation Kenya office, erlassjahr.de (Jubilee Germany); Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI) jointly hosted a roundtable on debt crises in Sub-Saharan Africa and on sovereign debt workouts at the Sarova Stanley Hotel, Nairobi Kenya. The roundtable was attended by high level representatives from governments (Zambia, Mozambique, Kenya, Malawi and South Africa) international organisations and think tanks (UNCTAD and MEFMI). While CSOs raised issues of concern around debt management in the regions government representatives present gave debt trends, and agreed with

CSOs identified areas of concern. Experts' discussions were held on debt flows and indicators, sources of risks to maintaining debt sustainability, and policy recommendations for managing future debt crises. Stephanie Brandenburg, Head of the Debt & Development Finance Branch in the Division on Globalization and Development Strategies UNCTAD, highlighted present mechanisms available to deal quickly and efficiently with debt crises. AFRODAD Director, Dr. Fanwell Bokosi, led discussions on responsible borrowing, using recommendation from the AFRODAD Borrowing Charter.

This roundtable enabled AFRODAD to bring to the governments officials attention the need for them to speak out for a change to the current creditor-led debt system that has repeatedly failed their governments to manage debts. The engagements and discussions with Stephanie Brandenburg, Head of the Debt & Development Finance Branch in the Division on Globalization and Development Strategies UNCTAD ensures that our advocacy asks and messages reach the UN.



AFRODAD Director Dr. Fanwell Bokosi and Acting Head of Programme Mr. Tirivangani Mutazu meeting with Ms. Stephanie Blankenburg, Head of the Debt, Development and Finance at the United Nations Conference on Trade and Development (UNCTAD) division on globalization and development strategies

3. Global Strategy Meeting on debt

Ahead of the UNCTAD XIV conference, global debt networks, AFRODAD, EURODAD, LATINDAD, Jubilee USA, and APMDD, convened a global strategy meeting of CSOs and activists who are committed to working together on finding fair and sustainable solutions to debt problems. The meeting took place from the 13th-14th July 2016 at Olive Gardens Hotel, Nairobi Kenya. The meeting had the following objectives: i) to present global debt networks experiences in different countries and regions, to learn from each other, and develop joint strategies; and ii) to decide how to act and cooperate in future as a global debt justice movement.

AFRODAD shared the debt justice challenges in the African region and how it tackles them. Regional presentations shared gave the meeting a solid basis to start discussing

solutions to debt crises. The meeting discussed how debt organisations can concretely work together, especially those on international level, because they require cooperation. AFRODAD facilitated discussions on how organisations can support activities on national level. Having defined when and how we work together, discussed then centred on the practical steps of how to actually implement our plans as a global coalition.

AFRODAD volunteered to be among the lead organizations on the following working groups formed: i) Advocacy for international mechanism(s) for resolution of sovereign debt issues, ii) Responsible finance, PPPs, and lending and borrowing via financial markets, and iii) Debt Audits and Domestic debts. Through discussions with different African debt networks present at the meetings, areas of future collaborations were identified and agreed. New partners such as ATTAC-CADTM Maroc, FNDP-Cote d'Ivoire, Ad hoc Committee on Debt and development (Congo) /Justice et paix Congo, Arab NGO Network for Development, SEND West Africa, and French Debt and Development Platform were identified. Future work collaborations were held.



A day session at the Global Strategy Meeting



Group Photo for participants at the Global Strategy Meeting

4. AFRODAD jointly organised side events at the IMF/WB 2016 Annual Meetings - 6th October 2016

The reform of the IMF-WB Debt Sustainability Framework: Fit for the 2030 Development Agenda?

AFRODAD jointly organised this side event with other global debt network and set on the panel. The event was important because it came at a time the IMF-WB Debt Sustainability Framework (DSF) is under review. The DSF is one of the key instruments with which borrowing by developing countries and to a lesser extent also lending to developing countries is regulated. Moreover, findings from debt sustainability assessments (DSAs) under the framework are used to inform debt restructurings of official and private loans alike. Like many other IFI instruments, the DSF is a controversial instrument. The current method-

ology used for debt sustainability assessments is largely flawed because official creditors conduct the DSAs themselves and this creates some conflicts of interest. As civil society we pushed for improved DSAs as a useful tool to guide borrowing and lending decisions necessary to prevent debt crises.

Debt-creating finance as well as debt restructurings plays a crucial role in financing the 2030 Development Agenda. The currently ongoing reform of the Debt Sustainability Framework offers an opportunity to adjust it to the needs and aspirations of the 2030 Development Agenda and its means of implementation. This side-event was attended by CSOs and representatives of government delegations and IMF staff.



AFRODAD Interim Head of Programmes, Mr Tirivangani Mutazu, on a panel making the case for "The Reform of the IMF-WB Debt Sustainability Framework: Fit for the 2030 Development Agenda...with him are Bodo Elmers (Eurodad), Jurgen Kaiser (Erlassjahr), Patricia Miranda (Jubileo Bolivia) and Mark Flanagan (IMF Fiscal Affairs Department)

International Public Finance

Accountable Loan contraction processes

1. Research Studies

Guided by the strategic objective for an accountable loan contraction processes in African countries, we commissioned studies at the beginning of the year in two selected countries. These countries are Rwanda and Mauritius. The country researches are on Loan contraction and debt management process. The overall objective of the studies is to analyze policies, legal and institutional frameworks in Rwanda and Mauritius and the efficacy of oversight bodies in the loan contraction and debt management and hence make recommendations on improving transparency, accountability and participation of the process. The research studies were completed and reviewed by our national partners in the two countries: Rwanda Development Organization (RDO) in Rwanda and Mauritius Council of Social Service (MACOSS) in Mauritius. These studies will be subjected to national validation jointly with national partners in the respective countries in February 2017.

Effective Domestic Debt Management

1. Research Study

Emerging as a preferred solution to improving government liquidity problems, domestic debt has increasingly become important as a source of financing development and government activities. This has been compounded by the drying up of concessional lending and the reduction in development assistance. Most governments in Africa and other developing countries have been forced to resort to borrowing from domestic markets in order to finance expenditures on public goods and services that promote growth and increase their nations' welfare. Consequently, domestic debt now constitutes a large share of the total public debt stock and its servicing also now takes up a large share of total government expenditure. The increasing trends, requires that domestic debt acquisition is done responsibly and sustainably without entering into a potential domestic debt related crisis.

AFRODAD commissioned a study on "Domestic Debt Management in Africa: The Case of Cameroon" in 2016. The overall objective of the study was to establish the trends, level and impact of domestic debt on the Cameroon economy. The research will add to existing knowledge on the extent and impact of domestic debt in many African countries. The research is also hoped to result in

transparency and accountability by the governments in Domestic Debt Management. The research study was planned to be reviewed by our national partner in Cameroon in 2016 but delayed, due to partner challenges. The review and study national validation have now been scheduled for the first quarter of 2017, jointly with national partner Debt and Development Platform of Cameroon.

AFRODAD will push for more discussions on the need for enhanced public consent, transparency and accountability domestic debt management. Many African governments now understand the need to maintain sustainable debt levels that are promoting of sustainable growth, development and poverty reduction.

Engagements with African Union Organs

1. The African Development Bank 2016 Annual Meetings

AFRODAD engages wide range of policy makers and leaders on the continent in premier institutions such as the African Development Bank, and the Economic Commission for Africa. African Development Bank 2016 Annual Meetings, held from the 23rd to the 27th of May 2016, in Lusaka Zambia, is usually a space for meaningful engagements, review of the Bank's performance, influences the Bank's policies and programmes. The Banks vision is to be a development finance institution that is inclusive and representative of Africa's needs and priorities.

As African Civil Society Organizations (CSOs), present in Lusaka, we developed a joint statement, and pledged to work closely with the Bank in delivering the 'High Five' agenda. Dr. Fanwell Kenala Bokosi, the Executive Director of African Forum and Network on Debt and Development (AFRODAD), delivered the joint statement during the Civil Society Organization Forum on Friday, May 27, the closing day of meetings. The statement that was received on behalf of the AfDB by Siphomoyo, Director of Cabinet and Chief of Staff in the Office of the Bank President.

The CSOs statement submitted had three requests that the Bank's President should consider as a way of consolidating the new partnership. i) CSOs want national or regional African Development Bank offices to create space for sustainable debate and engagement with legitimate CSOs in member states where real activities take place, instead of waiting for the Annual Meetings that happen once a year; ii) CSOs requested that the AfDB-CSO Forum happens before the Annual Meetings in order to allow the CSOs to meaningfully participate in the general program of the Meetings and partici-

pate in other sessions; iii) CSOs requested the Bank to create a continental to national CSO accountability program that will track progress and create annual CSO accountability reports on the Bank's commitment to the engagement to deliver the High 5s.' The Bank pledged to continue with the engagement with the CSOs to build a strong partnership.

Engagement through the forum is also said to be in line with the Bank's CSO engagement framework that was developed with full collaboration with the civil society stakeholders. The Bank pledged to use outcomes of the forum's deliberations to implement 'pragmatic actions' on the High 5s with a focus on energy, agriculture and youth employment.



Panelists at the AfDB CSO Forum

International Public finance portfolio key achievements

There is growing consensus that development finance should follow the principles set out in the Busan Partnership agreement; the Addis Ababa Agenda for Action and the United Nations Sustainable development goals framework. The Addis Ababa Agenda for Action of 2015 underscored that all sources of finance will need to be mobilized and used more effectively in support of sustainable development. These include domestic and external, public and private sources of finance. Discussions revolved around recent expansions in the international private finance and recommendations included that more efforts were needed to orient a larger proportion of these flows towards internationally agreed sustainable development goals. The thematic goal of the program is to influence the quality, impact and effectiveness of international public finance, in line with the agreed development cooperation effectiveness principles. During the same year, AFRODAD sharpened research, policy analysis and technical experience in addressing issues of development effectiveness.

Development Effectiveness principles and practices

1. Papers on Development Effectiveness

The Aid accountability studies research for Malawi and Mozambique has been completed. The researches were carried out in collaboration with our national partners, Mozambique Debt Group (GMD) and Malawi Economic Justice Networks (MJEN). The findings from Malawi is that there is very little that has been done in terms of educating the citizens on aid and broader development effectiveness as well as on the virtues of the public finance management systems, resulting in the limited citizens' participation in consultative forums. In Mozambique the study finds out that Mozambique should improve public financial management and increase its leadership in the priorities. These research findings and other prior reports informed AFRODAD advocacy towards the HLM2 in Nairobi.

2. Policy Brief

AFRODAD also developed policy inputs in line with the HLM2. These included the **"High expectations towards the 2016 Nairobi High Level Meeting- Effective Development Cooperation"** policy brief. This policy brief was circulated among civil society and government official in GPEDC meetings. The brief noted that the role of CSO should be legally protected especially in the monitoring of the SDG implementation and that the 2HLM should have time bound commitments to ensure the achieve-

ment of the SDGs. It urges governments to enhance domestic resource mobilisation as it remains the long-term sustainable mechanism for financing the SDGs with the support of partner countries. The organisation also applied to participate in the HLM2 as a CSO representative and was chosen to be part of the 200 CSOs that will represent CSOs in Kenya.

3. Profiles for Africa

AFRODAD developed **Aid profiles for Africa** using the African Union Commission classifications. These profiles were for all the five regions. For the **Central region** the profiles noted that four countries are in the category of having a low human development Index and also classified as low income countries. Comparison of ODA as a percentage of GNI in the countries under review shows that Burundi and Sao Tome and Principe depends more on ODA than any other countries. It recommended that countries should use their ODA to enhance their domestic resource mobilisation through improving their tax administration systems since ODA was on the decline. The profile for **West Africa** noted that most western African countries are endowed with natural resources. It brought to the fore that Liberia, Gambia and Sierra Leone have the highest figures in terms of ODA as a per-

centage of GNI. This depicts the importance of ODA in these countries. It recommended that more ODA should be provided towards these countries and to countries that have regarded as non resource rich countries that is Benin, Guinea Bissau and Togo.

For **North Africa** the AFRODAD profile noted that even though half of the countries in this region are endowed with natural resources, ODA remains a critical development finance option that they will continue to explore. ODA should now be viewed as a catalyst for development. It recommended that Donor should follow the Aid effectiveness principles as they deliver their aid. For **East Africa** the profile noted that Mauritius, Seychelles and Sudan have the lowest figures of ODA to GNI. This depict that ODA is not the most important source as a component of GNI and that also mean less dependence on ODA. In Southern Africa region the profiles note that these countries record highest in terms of people below the poverty datum line sighting Malawi and Mozambique as countries that depends more on ODA than other countries in that region. The Aid profiles will continue to give a snapshot of the status of ODA and will be reviewed regularly in 2017

4. 2016 Second High Level Meeting on Aid Effectiveness, Nairobi Kenya.

In March 2016, AFRODAD was part of a technical working group on Development Effectiveness that was preparing African priorities produced a paper "Why South –South Cooperation is important for Africa" This paper was prepared for the NEPAD agencies capacity building department under the Africa Working Group on Development Effectiveness. This with other Africa priorities will be used as African reaction to the Nairobi High Level Forum Africa's HLM 2 priorities and Expected Results Outcomes.

5. Post-Monitoring Results for the GPEDC

As part of our preparations for the 2nd High Level Meeting in November AFRODAD participated in the Africa Regional Workshop on the Global Partnership for Effective Development Cooperation Post-Monitoring Results and Preparations for the 2nd High Level Meeting held from the 14th –16th September 2016 in Addis Ababa Ethiopia. During the meeting AFRODAD made presentation on the role of GPEDC in Agenda 2030 and on the power of partnerships. AFRODAD also brought submissions on progress, challenges and lessons learnt since Bussan to the table in reviewing the draft outcome document to come out of the HLM2.

6. Civil society Platform for Development Effectiveness

Also as part of preparations for the Second HLM, AFRODAD under the CPDE developed key recommendations that were tabled for consideration during the HLM. The organisation also took part in the e-survey organised by the CPDE global on the state of CSOs in terms of capacity development and Training Needs Assessment (TNA) for Trainings on CSO Development Effectiveness. The organisation was among the respondents to the state of enabling environment for Effective CSO participation country profiling organised by Ibon international. The findings from this study were used during the HLM2 in Nairobi.

7. Africa Working Group Retreat

AFRODAD was part of a final Africa Working Group Retreat gathered by UNDP and NEPAD agencies ahead of the HLM2 that was held 14 - 16 November 2016, in Magaliesburg, South Africa, to come up with a consolidated multi-stakeholder input on the final draft of the Nairobi Document and on the renewed mandate of the GPEDC. The Africa working group members were part of the CSOs negotiators who negotiated the outcome document. The Group provided specific text and guidance to the African representatives on the GPEDC Steering Committee at its last session pre-HLM2 in Nairobi where the Outcomes Document was finalised and closed.

8. AFRODAD participation in the Youth and CSO forums at the HLM2

Forums for civil society, youth, women, parliamentarians, local government, foundations and the private sector took place prior to the main meeting from 28th to 29th November 2016. AFRODAD participated in the civil society and youth forums prior to the HLM2. Coming strongly from the youth forum was that GPEDC should fully integrate youth participation in mechanisms, procedures and processes to influence decision-making at all levels and develop an age and gender-specific youth indicator that can monitor, measure and report this framework. The CSO forum also pointed a serious concern of shrinking civil society space in all countries despite the progress shown by the monitoring survey of the Busan principles. It recommended that shrinking and closing spaces for civil society be recognised and addressed, and GPEDC recommit to providing an enabling environment to maximize CSOs' contribution to development. AFRODAD during the CSO forum also moderated a session on "Blended finance" during the CSO forum in a side event organised by Development Initiatives which also informed the CSO statement.

9. AFRODAD participation in the second High level meeting (HLM2) 28 November to 1 December 2016

From 30 November-1 December 2016 the HLM2 of the Global partnerships was under the Theme: Towards inclusive and accelerated implementation of the Agenda 2030 took place on 28 November to 1 December 2016. HLM2 aimed to amplify the positive impact of development co-operation over the next 15 years and was hosted by the Government of Kenya in Nairobi with the support from the Global Partnership's three Co-Chairs (Malawi, Mexico and the Netherlands), Steering Committee members and the Joint Support Team provided by the Organisation for Economic Co-operation and Development and the United Nations Development Programme. It took stock of the implementation of development effectiveness principles and commitments, provided a learning space on development effectiveness, showcasing successful examples and identified innovative approaches to sustainable development that can be scaled up. The meeting positioned the Global Partnership to effectively contribute to implementation of the SDGs and the Addis Ababa Action Agenda. The meeting resulted in the HLM2 outcome document that is anticipated to shape how existing and new development actors can partner to implement Agenda 2030 and realize the SDGs.

Highlight of our participation was when AFRODAD Executive director made a com-

ment in the plenary session 2 that looked at "Moving forward: The Global Partnership's contribution to realizing the 2030 agenda" He noted that donors should play their part in ensuring that they use their country systems in development cooperation. AFRODAD was also part of a panellist on a side event titled "Innovation and effectiveness? Challenges, risks and opportunities for blended finance," organised by the Oxfam, Development initiatives and UK Aid. This side event provided a lobby space in which part of the panellist was from the European commission.

10. When does Aid work 20 October 2016



Taurai Chiraerae presentation via Skype to Norwegian policy makers

AFRODAD was requested by the Save the children Norway to make a presentation on when does AID works. The presentation noted that mutual accountability and national ownership of development is crucial – aid should follow national development plans.

The presentation underlined the importance of aid as a catalyst for development, and in particular the role of aid to support domestic resource mobilization. This was a key point from the 2015-negotiations of the Financing for Development conference (Addis Ababa Action Agenda), which highlighted DRM as a key contributor in implementing the SDGs. Further to this the organization was invited to make review, edit and make comments to the discussion paper on "When does AID work". The discussion paper was written to build understanding and knowledge of why and when aid works, and to inform and influence the current aid debate in Norway. This Policy paper will inform advocacy for effective development cooperation in Norway by Save the Children Norway in 2017

Emerging lenders and poverty reduction

Cooperation between Africa and the BRICS has been characterised by weak information systems and limited evaluation practices. This partnership often expressed as South-south cooperation needs to be monitored and evaluated so as to assess its overall impact on improving the welfare and ameliorating poverty in the developing countries in Africa. Of Key interest are the two institutions created by the BRICS i.e. the BRICS New Development Bank and the BRICS centre.

1. Xiamen University conference on Chinese ODA and South-South cooperation, Hong Kong on 21-25 January 2016

AFRODAD fledged key concerns during a conference jointly organised by Xiamen University on Chinese ODA and South-South cooperation, in Hong Kong on 21-25 January 2016. At the conference AFRODAD facilitated sessions on "China-aided African Union Conference Centre - A Landmark for China-Africa Friendship Evolution and another session on "Characters of China's Development Assistance: A Case Study of TANZARA". On 26-30 January AFRODAD also attended a meeting on "New measures for South-South Cooperation meeting, Manila, Philippines". AFRODAD with other likeminded CSOs developed and finalised a monitoring tool for SSC. This process will lead also to the Nairobi High Level meeting in Nairobi later this year.

2. Technical inputs

AFRODAD being part of a technical working group that was preparing African priorities produced a paper “Why South –South Cooperation is important for Africa” This paper was prepared for the NEPAD agencies capacity building department under the Africa Working Group on Development Effectiveness. This with other Africa priorities will be used as African reaction to the Nairobi High Level Forum Africa’s HLM 2 priorities and Expected Results Outcomes.

3. Conference on South-South Cooperation

AFRODAD was invited to the **Conference on South-South Cooperation from the 10th to the 11th of March 2016, in New Delhi India** by RIS of India based on its appreciation of AFRODAD work on South-South Cooperation. The shifting of the global centre of gravity from North to South is increasingly evident especially in the areas which are significant for further economic development in the South though there are several challenges. The areas of development include financing and partnership, peace and security, environment; people centred development, and science, technology and innovation (STI). This shift in gravity has been fuelled by rapid and sustained economic growth over a fairly longer period of time in the “emerging economies” during the last decade. Such a shift has also resulted in efforts at building a new Development cooperation architecture that led to considerable flow of resources within the Southern countries.

The South began looking beyond the North-South Cooperation (NSC) and Triangular Development Cooperation (TDC), which had traditionally been fuelled by the Official Development Assistance (ODA) for development cooperation. South–South Cooperation (SSC) emerged as a parallel mechanism to support global quest for improved quality of life across the world. The conference deliberated at length on major emerging issues of concerns facing the South-South cooperation: Thematic issues covered in the conference included: South and the Global Economy; Global Aid Architecture and the SSC; Regional Experiences; SSC across different sectors; and the role of CSOs and Private Sector. AFRODAD will align SSC and development cooperation policies for implementing the Agenda 2063 of African and propose steps to be taken to strengthen and institutionalize SCC across the African continent.

4. AFRODAD participated in the Faith Based Actors for Tax Funded Social Protection in East and Southern Africa meeting, held in Dar es salaam, Tanzania, May 2016. AFRODAD made a presentation on the Stop The Bleeding Campaign. The meeting brought to the fore the need for AFRODAD to do social protection analysis of the effects of government actions as they relate to development effectiveness.

5. UNDP/AFRODAD/Nest Regional Conference

AFRODAD hosted a regional conference on the 8th and 9th in June 2016 at Saro Maria Hotel in Addis Ababa, Ethiopia in collaboration with UNDP Regional Service Centre for Africa and the Network of East and Southern Think tanks. This was following the last strategic planning where AFRODAD had popularised work around SSC especially on emerging lenders. Afrodad presented on the role of CSOs in SSC highlighting the need for SSC providers to engage CSOs as equal development partners in their endeavours. The consultation brought together representatives from African regional institutions (including RECs), government officials, CSOs, Think Tanks and SSC focal points from UNDP country offices (COs) in Africa, as well as, SSC partners from other regions. The consultation focused on the past and present SSC landscape and their composite facets towards expanding and strengthening SSC in Africa. The consultation also presented findings from the UNDP mapping study of SSC and also from the NeST SSC monitoring framework of SSC. The two-day conference presented a valuable platform that shared key information in the context of scaling-up SSC for sustainable development particularly in implementation of the African Unions Agenda 2063 and the Sustainable Development Goals. The two-day workshop resulted in recommendations on actionable outcomes on SSC that were formulated towards contributing to the upcoming HLM2 of the GPEDC to be held in Nairobi in November 2016. AFRODAD after this conference also prepared the conference report that will be used for lobby and Advocacy by NEPAD, AFRODAD, NeST and the UNDP.

6. Regional SSC Reporting in Africa 9-10 November 2016

Dr. Fanwell Bokosi (right) presentation on role of CSOs in SSC Opening remarks



This meeting was a follow up meeting to the one held in June on SSC reporting. It underlined the strategic importance and need for reporting on SSC. It highlighted regional integration as key to success for this continent and the need for domestic resource mobilization was emphasized at a time when ODA is declining, as well as, the need to align the global and continental development agendas with the national priorities. It also underscored the principles of respect for national sovereignty, national ownership and independence, equality, non-conditionality, demand-driven support, non-interference in domestic affairs and mutual benefit.

The Iberoamerica experience was brought to the fore in the spirit of sharing knowledge and promoting cross regional South-South cooperation. Other presentations focused on origins and initial process, structure of the final report and what was considered SSC, explaining the parameters used to define this concept. Then presentations explained the reporting process in more detail, focusing on the regional and country methodology and which lessons can be learnt for other regions aiming to conduct such a SSC report as well. Presentations of Kenya and Somalia on their SSC mapping initiatives were also done. The result of the workshop was a roadmap for regional SSC reporting in Africa that will be implemented in 2017. AFRODAD made a presentation on the importance on CSOs in SSC

7. Prelude International BRICS Meeting

The BRICS grouping is an expression of SSC that AFRODAD has targeted as important in development cooperation. Afrodad participated in the international BRICS Meeting held on the 30th of September to the 1st October, in New Delhi, India. AFRODAD took part in the voice of voluntary sector (VANI) pre-Civil BRICS discussions. Issues that were discussed included Monitoring New Development Bank, Poverty and Inequality, Agriculture and Food Security, Financial Reforms and the creating a collaborative space (with government) for smooth function of civil society in the context of BRICS framework. AFRODAD brought to the discussion the fact that the New Development Bank should not result in Africa falling back into a debt crisis. We noted that African priorities were clearly articulated in the program for infrastructure development in Africa hence the bank should also prioritise projects along those lines. Issues around curbing illicit financial flows and good business practises were discussed which would inform the BRICS Civil society Forum. The findings from this meeting were discussed in the Civil BRICS forum and became part of the communiqué that was submitted to the BRICS heads of states in Goa, India.

8. Participation in the Civil BRICS Forum 2-4rd October 2016

The theme of India's BRICS Chairmanship was Building Responsive, Inclusive and Collective Solutions. During India's BRICS Chairmanship, adoption of five-pronged approaches was taken: Institution building to further deepen, sustain and institutionalise BRICS cooperation; Implementation of the decisions from previous Summits; Integrating the existing cooperation mechanisms; Innovation of new cooperation mechanisms; and Continuity of mutually agreed existing BRICS cooperation mechanisms. Civil BRICS platform is a space provided by BRICS countries for Civil Society to add to their voices of the BRICS processes. It becomes part of BRICS other structures like the New Development Bank, BRICS academic Forum, BRICS firm festival. It was hosted by FIDC (Forum for India Development Cooperation), a tripartite initiative by Ministry of External Affairs (MEA), academia and civil society as a pre-BRICS intervention.

BRICS is a multilateral methodology model that is aimed at changing global governance, the world being a multi-polar system. They discussed different aspects of BRICS engagement. BRICS aim to create a network of contacts among people in different regions. The idea of a Civil BRICS platform was first mounted in Russia in 2016 and India took on the platform in 2016. AFRODAD has been participating in the BRICS forum side events since 2013 and also secured funding from Oxfam to attend to this important forum. What was positive from the meeting was the continuation of the platform as a formal process within the BRICS, the continued government endorsement of the process, Civil BRICS statement submission to the BRICS Head of states summit and the relevance of the topics to all participants depicting commonality of interest among CSOs.

The question of the forums was what CSOs can work towards institution building, what CSOs can do within the BRICS and in other countries. AFRODAD being the only African CSO present at the summit was able to share the African views with regards to the BRICS processes. AFRODAD became part of the monitoring group for the New Development Bank. Issues discussed included why and how NDB should be different from IFIs and strive for sustainable development and mitigating climate change. The issue of tax justice and how lack of this has led to inequalities; the tax havens; functioning of the IFIs were also discussed.

Major highlights of the forum were when together with other civil society demanded for greater transparency and effective accountability mechanisms by the New Development Bank and its investment so that it addresses inequality in the countries. AFRODAD also

influenced the agenda of Civil BRICS process and asking for 'Institutionalizing Civil BRICS' through its contribution to the final Civil BRICS statement. AFRODAD engagement was to advocate for inclusion of issues of transparency and accountability through sharing of its research publications and discussions of BRICS negative impact in Africa during the 3 day forum.

AFRODAD was part of the panel on a side event titled "Transparency and accountability of development finance reporting." This event was jointly organising NeST and OECD. The side event provided practical recommendations as to how transparency and accountability around development finance reporting could be improved from perspectives of traditional donors, emerging donors, recipient countries and civil society. AFRODAD represented CSOs in this side event and gave practical steps that specific providers could take to improve accountability and transparency of development finance flows. Specifically AFRODAD gave recommendations on how to improve the new measurement framework of TOSSD to make it a useful tool to improve development finance reporting.

9. SADC Engagements

AFRODAD 2016-2020 strategic plans identifies SADC as a target group for lobby and advocacy. In pursuit of amplifying the role of SSC in the overall development trajectory AFRODAD participated in two SADC processes that is the Southern Africa Peoples Solidarity network, Civil Society Forum under the theme: "SADC RISING?: Reclaiming our democracy and citizen's participation in consolidating regional integration and development" and 12th Civil Society Forum (CSF) convened by the SADC Council of NGOs (SADC-CNGO). AFRODAD identified SADC issues that needs intervention like the SADC regional poverty observatory that other member states have not started implementing , the failure by CSOs to push for more CSOs participation in the prioritisation of SDGs and mechanisms for monitoring and accountability and other protocols that member countries are taking long to implement for example protocol on Finance and Investment.



10. SAPSN solidarity march 20 August 2016, Swaziland Mbabane

In these two platforms AFRODAD shared experience around areas “South-South Cooperation in pursuit of agenda 2063” giving input from its African engagement on SSC. This was facilitated through a 2pager issue brief titled “SADC countries needs to take a cautious approach in South-south Cooperation” which was a shorter version of the policy briefing “SSC and Agenda 2063 implementation in the SADC countries”

11. Publicly Supported Private Finance and Public Private Partnerships and sustainable development

There is evidence to show that Publicly Supported Private Finance (PSPF) investments are combining Official Development Assistance (ODA) with commercial loans to make them concessional. It is undeniable that private finance and business activities are no doubt playing a prominent role in development but little is known about their impact on sustainable development. AFRODAD seeks to develop an understanding of the Publicly Supported Private Financing (PSPF) in order to develop a framework that influences the outcomes of the mechanism and mobilise African civil society organisations and policy makers to engage and understand their impact. Given the crucial role, there is therefore need for greater accountability and impact assessments because without adequate regulation, private finance can lead to increased inequality, adverse impact on the environment and violation of human rights especially for the vulnerable and poor populations such as women, youths, and children among others.

12. Technical Input

AFRODAD made comments to the draft framework for disclosure in PPP projects for public consultation by the World Bank. On April 5 2016 AFRODAD produced an article titled "PPPs as a model for development: An analysis of the African context" in the Bretton Woods Publication. The article noted that the IMF and World Bank are pushing for PPPs in Africa. The article noted that Private sector profit motive means poor people likely to lose out and concluded that Risks need to be minimised for PPPs to have positive impacts in Africa.

13. Policy Briefings

AFRODAD produced a policy briefing titled "Public Private Partnerships of Health and Education sectors; Are the poor in the Analogy?" which noted that government should continue to provide basic health and education services to its people and embrace private participation in these sector with a regulatory eye. This policy briefing informed AFRODAD to express interest to a call by OSISA for a research on Privatisation in health and education. The organisation expressed interest and made a bid. Work revolved around formulation of a concept for the research and responding the OSISA format of applications. This resulted in AFRODAD securing funds to do the Privatisation research work in 10 SADC countries in 2017.

Conclusion

In 2016, AFRODAD commendably worked hard to meet objectives under its three strategic focus area: Domestic resource mobilization; Debt management and International Public finance.

As mentioned earlier, 2016 was the first implementation year of the current strategic plan 2016-2020. The team at AFRODAD, under the leadership of Dr. Fanwell, has been strengthened to contribute to this strategy and to the overall AFRODAD's mandate of "securing sustainable solutions to the African debt crisis".

We have a clear plan for 2017 which will guide us on focusing beyond activities and results. Our eyes are set on the lasting impact that AFRODAD has the potential to make.

We are moving forward!



AFRICAN FORUM AND NETWORK
ON DEBT AND DEVELOPMENT

AFRICAN FORUM AND NETWORK ON DEBT AND DEVELOPMENT
2016 PROGRESS NARRATIVE REPORT

CONTACT:

Physical Address: 31 Atkinson Drive, Hillside, Harare, Zimbabwe
Postal Address: P.O. Box CY1517, Causeway, Harare, Zimbabwe
Telephones: +2634778531/6; +2632912751/4 Fax: +263 4 747878.
Emails: fanwell@afrodad.co.zw / afrodad@afrodad.co.zw