



AFRICAN FORUM AND NETWORK  
ON DEBT AND DEVELOPMENT



# 2017 ANNUAL REPORT



“On the funding front, AFRODAD secured funding for a three-year project in the Domestic Resource Mobilisation portfolio from Norwegian Agency for Development Cooperation”

AFRICAN FORUM AND NETWORK ON DEBT AND DEVELOPMENT

# 2017 PROGRESS NARRATIVE REPORT

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# EXECUTIVE SUMMARY

In 2017 AFRODAD continued with the implementation of the 2016-2020 Strategic Plan thus a number of activities were successfully implemented. Some activities have registered short term outcomes/impacts while others will register theirs in the long term.

The Domestic Resource Mobilisation portfolio completed research studies carried over from 2016 on “Assessing Africa Mining Vision and SADC Protocol on Mining”, “Illicit Financial Flows”, and “Impact of Fluctuating of Commodity Prices”. During the year the organisation conducted policy engagement activities which included research findings and policy recommendations.

The Debt Management department initiated the review of the Borrowing Charter and conducted researches on domestic debt and loan contraction in selected countries from different regions of the continent. Some of the countries in which studies were completed and validated were Mauritius, Cameroon and Rwanda.

The International Public Finance department sharpened research, policy analysis and technical experience in addressing issues of development effectiveness. A key task since the beginning of the year has been the implementation of a Study on Privatisation of Education and health services in selected Southern African Countries, on behalf of OSISA (Open Society Initiative for Southern Africa). The objective of the research was to analyse and identify gaps in the regulatory and policy instruments governing privatization in selected countries and at the regional level. The specific focus was on challenges, successes and best practices in the conceptualization, implementation and adherence to the regulatory frameworks.

On the funding front, AFRODAD secured funding for a three-year project in the Domestic Resource Mobilisation portfolio from Norwegian Agency for Development Cooperation (NORAD) which started in April for the period 2017-2020. In 2017, AFRODAD managed to get two separate grants from the (OSISA) in the Domestic Resource Mobilisation portfolio and the International Public Finance portfolio.



AFRODAD is currently implementing a three-year project funded by Brot für die Welt (Bread for the World- Germany) which is coming to an end in March 2018. Following a successful evaluation of the project conducted in September and an Institutional Assessment conducted in June, AFRODAD has been invited to submit a new three-year project with a budget that is ten percent more than the current. This project is under the Debt Management Portfolio.

Several proposals were submitted to various donors, two of which are now at an advanced stage towards getting funding for 2018 (OSISA for one year) and DAIKONIA (for three years).

In order to strengthen the governance of AFRODAD and in line with the Trust Deed, the constitution and the Board Charter of the organisation, four new members were appointed in July replacing those members who had retired from the board as per the board regulations of AFRODAD. These new Board members are Dr Tinenenji Banda (Lawyer from Zambia), Dr Richard Kamidza (Development Studies, Zimbabwe), Dr Fred Muhumuza (Economist, Uganda) and Mr. João José Uthui (Development Expert, Mozambique).

## 1.0 DEBT MANAGEMENT

Thematic Goal: To contribute to the development and implementation of sustainable debt policies and Practices in Africa.

“AFRODAD made progress in terms of strengthening its evidence base and tools to use in advocating for government transparency and accountability on public borrowing.”

AFRODAD implemented most of its planned activities in 2017 under this portfolio. Major contributions were made towards meeting the thematic goal above. AFRODAD stepped up its engagements with national, regional and international policy makers. Below are key implemented activities and their results, under each of the portfolio’s strategic objectives.

### 1.1 Strategic Objective 1 : Improved government transparency and accountability on public borrowing

AFRODAD made progress in terms of strengthening its evidence base and tools to use in advocating for government transparency and accountability on public borrowing. The revision of the Borrowing Charter and profiling of regional debt status in Southern, Eastern, Western, Northern and Central Africa, ensured that the organisation engagements with governments and Regional Economic Communities are backed by appropriate and region specific evidence.

Furthermore, AFRODAD participated in the World Bank/IMF 2017 Spring and Annual Meetings. AFRODAD organised side events and meetings with Sub-Saharan Africa IMF Staff and IMF Executive Directors. Side meetings were specifically focused on the Debt Sustainability Framework which was being revised. These meetings presented the opportunity to share results of AFRODAD’s work and demand policy changes with regard to World Bank and IMF programmes in Africa.

As a result, international financial institutions’ arguments for prudent debt management were scrutinised by civil society organisations so that they can ensure that African governments are aware of those arguments in order to assist them in their engagements with these institutions.





### 1.1.1 Review of the AFRODAD Borrowing Charter.

Responsible lending and borrowing is key to maintain debt sustainability in most African countries. To achieve this objective, in 2017, AFRODAD engaged The Southern African Institute for Policy and Research (SAIPAR) to lead the revision of the AFRODAD 2013 Borrowing Charter. The revision is scheduled to be completed early 2018.

Once the Charter review is completed it will be translated from English to French, Portuguese, Arabic and Swahili. This will increase international visibility since it will reach a wider audience. Plans are already in place to launch the charter as soon as it is completed and also to develop a model law of debt management that can be used to advocate for changes in the current laws governing public debt management.

### 1.1.2 Regional Debt profiles

Regional debt profiles for Southern Africa, West Africa, North Africa, East Africa, and Central Africa were produced and published. These profiles assisted AFRODAD's advocacy work at the regional and international levels. These were shared at all debt events and international platforms that AFRODAD attended or organised. Targeting sharing was also done to such key inter-governmental institutions and civil society e.g. MEFMI and OXFAM.

### 1.1.3 World Bank/IMF 2017 Spring Meetings

AFRODAD participated and jointly hosted a side event during World Bank/IMF 2017 Spring Meetings, 17–21 April 2017 Washington DC, USA. The event was entitled “The State of Africa’s Debt Crisis 2.0”. AFRODAD was among the panellists and presented an update of the debt status in Africa and the importance of prudent debt management for the attainment of the SDGs.

During the same time AFRODAD also attended some important meetings between CSOs from Sub-Saharan Africa and IMF Staff and the IMF Executive Directors. During these meetings AFRODAD shared the results of its work and demanded policy changes with regard to World Bank and IMF programmes in Africa.



*The first picture shows part of the participants and the right picture shows - Mr. Tirivangani Mutazu (Senior Policy Analyst Debt) who is sitting 4th from right among the panellists.*



#### 1.1.4 World Bank/IMF 2017 Annual Meetings

AFRODAD participated and jointly hosted a side event during World Bank/IMF 2017 Annual Meetings, 09–14 October 2017 in Washington DC, USA. AFRODAD was among the panellists and presented on the proposed changes to the Debt Sustainability Framework, the Mozambique Debt Crisis, hidden debts and new IMF programmes with African countries like Zambia, Ghana, and others.

## 1.2 Strategic Objective 2: To contribute to the establishment of a fair and transparent international sovereign debt restructuring mechanism.

AFRODAD hosted three regional conferences on debt in Central Africa (July), East Africa (September) and Southern Africa (November 2017). These conferences provided a rich platform to discuss the status of sovereign debt restructuring mechanism.

The conference had sessions on the establishment of a fair and transparent international sovereign debt restructuring mechanism. Delegates debated and proposed a strong African perspective on this. They demanded African governments to push the United Nations to come up with an international framework. It was observed that African government are not as strong as they should be on this issue. Regional civil society campaigns on the demand for mechanisms have been planned for 2018.

AFRODAD identified big flagship events during the course of the year, where it participated and made contributions. These included the 11TH UNCTAD International Debt Conference which took place from the 13th–15th of October 2017.

### 1.2.1 Organization of regional conferences in East and Southern Africa on the status of sovereign debt restructuring mechanism.

AFRODAD jointly with Uganda Debt Network hosted the Regional Conference On “Debt In East Africa- Addressing Core Challenges Arising from the Management of Public Debt at Regional Level” from 28th – 29th September 2017 at Imperial Hotel, Entebbe, Uganda. The Conference provided a platform to discuss rising debt levels in the East African region and proffer solutions in addressing issues of debt sustainability.

The conference was attended by parliamentarians, civil society, faith based organisation and government officials from Burundi, Ethiopia, Kenya, Rwanda, Tanzania, Uganda, Somalia and South Sudan.

The conference discussed the status of sovereign debt restructuring mechanism and the UN principles, with a view of popularizing them. The conference also discussed reform proposals in global debtor-creditor-relations that will be necessary in order to prevent a new round of developing country debt crises.



UGANDA DEPT  
NETWORK DIRECTOR



AFRODAD EXECUTIVE DIRECTOR

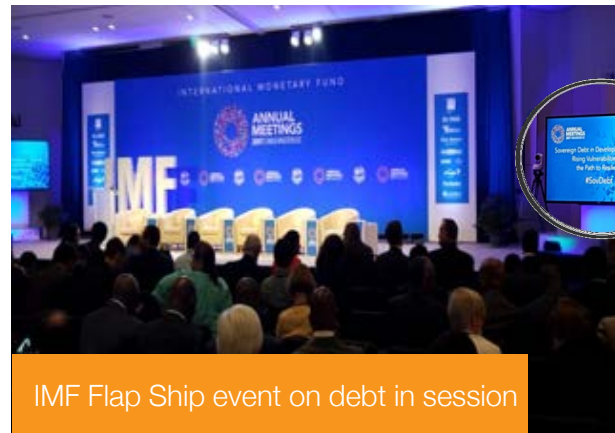
### 1.2.2 Participation in UN debt restructuring mechanisms events.

On the 11th of October, during the Annual meetings week, the IMF hosted a seminar on “Sovereign Debt in Developing Countries: Rising Vulnerabilities and the Path to Resilience”. The rise in sovereign debt vulnerabilities in many developing countries merits attention, especially in the context of a new creditor landscape and rising shares of domestic, non-concessional and collateralized debts. Panellists and discussions proffered solutions to how sovereign countries can increase their resilience to exogenous

shocks. Discussions zeroed on whether state-contingent debt helps in development. Central to the discussions was the role official and private creditors’ play in preventing and resolving unsustainable debt situations. As civil society this was a key seminar to raise and demand that the need for a new debt restructuring mechanism be put in place.

AFRODAD made joint interventions with global debt networks (AFRODAD, EURODAD, LATINDAD, and JUBILEE USA) in attendance.

UNCTAD organizes the Debt Management Conference every two years, providing a regular forum for sharing experiences and the exchange of views between governments, international organizations, academia, the private financial sector, and civil society on current issues in debt management. It brings together senior national and international debt managers and experts from around the world to discuss some of the most pertinent topics in both external and domestic debt, debt management and public finance. Bilateral discussions were held with African delegations from Zimbabwe, Sudan, Ivory Coast and AFRODAD



IMF Flap Ship event on debt in session



“Bilateral discussions were held with African delegations from Zimbabwe, Sudan, Ivory Coast and **AFRODAD** publications were shared.”



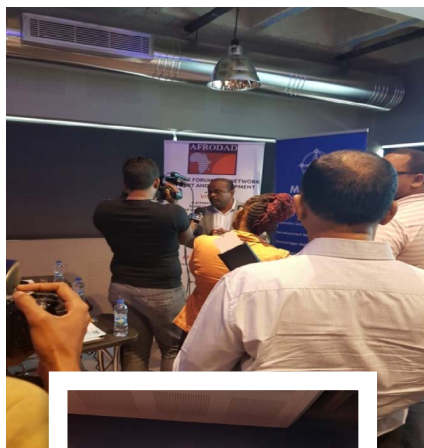
### 1.3 Strategic Objective 3: To strengthen inclusive, transparent and accountable public debt borrowing and loan contraction processes.

During the course of the year AFRODAD made huge progress in terms of strengthening inclusive, transparent and accountable public debt borrowing and loan contraction processes. First, AFRODAD in collaboration with Mauritius Council of Social Service (MACOSS) launched the study report “Analysis of Loan Contraction and Debt Management: The Case of the Republic of Mauritius”. Second, AFRODAD in collaboration with Rwanda Religious Forum launched the Report on “Analysis of Loan Contraction and Debt Management: The Case of the Republic of Rwanda” on the 27th October 2017 Kigali, Rwanda. AFRODAD engaged government officials and members of parliaments, through these launches.

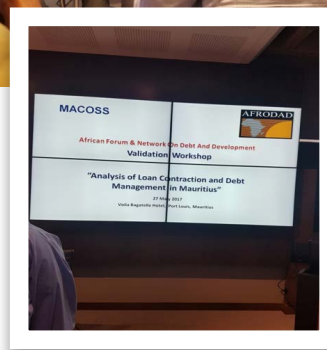
#### 1.3.1 Launch of “the Analysis of Loan Contraction and Debt Management: The Case of the Republic of Mauritius” study report.

AFRODAD in collaboration with Mauritius Council of Social Service (MACOSS) validated the study report “Analysis of Loan Contraction and Debt Management: The Case of the Republic of Mauritius”. The validation meeting took place on 25th May 2017 at Voila Bagatelle Hotel in Port Louis, Mauritius. The launch was graced by high level policy makers, including the Minister of Financial Services, Good Governance and Institutional Reforms. The report will

play an important role in the country: raising citizen awareness on debt, enlighten citizens on economic issues, etc. The minister agreed with the research findings and gave detailed account of the state of Mauritius public debt comparing to other countries in Africa and Europe. He alluded to the fact that successive Mauritius governments have managed the debt prudently hence the country’s development. Mauritius is only taking grants and it is using them on productive investments.



*The guest The Guest of Honour – Hon.Dharmendar Sesungkur, Minister of Financial Services, Good Governance and Institutional Reforms speaking to the media is shown in the first picture. The second picture shows part of the presentation made by AFRODAD.*



### 1.3.2 Launch of the Analysis of Loan Contraction and Debt Management:

The Case of Rwanda study report - 27th October 2017, in Kigali, Rwanda.

AFRODAD in collaboration with Rwanda Religious Leaders Forum validated the report on the 27th October 2017, in Kigali, Rwanda. The launch was graced by high level policy makers, including the Director of Debt Management in the Ministry of Finance and her staff.

During the validation it was agreed that AFRODAD should revise the report to include new figures that had been released during the week of the launch. The Ministry committed to provide latest data and developments for the review. The Director congratulated AFRODAD for such an initiative since there are few African organisations working on debt. She pledged to make sure that the government continues to manage debt prudently to enable the country's development.



## 1.4 Strategic Objective 4: To influence the effective management of public domestic debt resources by African governments.

AFRODAD commissioned research in Cameroon and Tunisia. These researches were completed and published. These reports will be used to influence the effective management of public domestic debt resources by African governments.

### 1.4.1 Study on Debt Management in Africa: The Case of Cameroon.

AFRODAD in collaboration with PFIAD Cameroon undertook a study on **“Debt Management in Africa: The Case of Cameroon”**. The overall objective of the study was to establish trends, level and impact of both external and domestic debt on the Cameroon economy. The study was completed and the report was subjected to a launch and validation workshop. AFRODAD organized a validation workshop of the report mentioned above on the second day of the Central Africa regional conference that took place from the 27th–28th July 2017, in Douala, Cameroon. AFRODAD collaborated with PFIAD in organising the workshop. The conference provided a rich platform to discuss core challenges arising from the management of public debt in Cameroon and regional level. Participants were from Cameroon, Chad, Gabon, Guinea and Central Africa Republic. Members of parliament from Cameroon and regional

government officials from Doula attended.

The findings show a growing trend of both external and domestic debt in Cameroon. Debt is increasingly becoming an option for financing long term infrastructural development projects in Cameroon. There is need to strengthen policies, legal and institutional frameworks and oversight bodies in the loan contraction and debt management. Overall, the oversight role of the Parliament in the management of domestic debt appears weak due to their lack of technical expertise to comprehend some of the loans presented before them. Delegates mandated AFRODAD and the Cameroonian Debt Platform to campaign effectively on debt issues in Cameroon and the Central Africa regions through workshops, civil society capacity building and policy makers' engagements.



During the conference





The guest of honour: Mr DIBOUJA Ivaha Samuel, the Governor of the Littoral Region speaking

“ Delegates mandated **AFRODAD** and the Cameroonian Debt Platform to campaign effectively on debt issues in Cameroon ”

## 2.0 DOMESTIC RESOURCE MOBILISATION

Thematic goal: To contribute to the development and implementation of transparent, accountable and efficient mechanisms for mobilisation and utilisation of domestic resources in Africa

“Through the summer school, **AFRODAD** improved participant’s knowledge and understanding of revenue mobilisation and management in the extractive sector in Africa...”

This is a key focus area of AFRODAD work designed to contribute to the development and implementation of transparent, accountable and efficient mechanisms for the mobilisation 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 the course of 2017, the department commissioned research studies and engaged in various advocacy activities at the national, regional and international levels. AFRODAD’s research has helped anchor civil society advocacy to a solid evidence base, rooted in the contexts and concerns of African countries. The organization has ensured that the evidence created is directly relevant to ongoing campaigns and decision points, which means it is relevant for both civil society groups and for decision-makers.

The study on ‘The Developmental Impacts of IFFs in SADC’ provided a comprehensive analysis and increased evidence on the magnitude and negative impacts of IFFs in SADC. By comparing IFFs to key public expenditures on health, education, and human development the organisation has been able to make the issue come alive for advocates and decision-makers focused on other key development issues.

Outreach activities undertaken to disseminate research findings and efforts to draw the participation of MPs, CSOs and media from Africa has helped build political recognition on the challenges in the mobilisation and utilisation of domestic resources in Africa. More so, this has increased the intent to develop efficient mechanisms to address these challenges. There is strong public and potential interest as well as the willingness to address the issues around revenue management in extractives and IFFs.

## 2.1 Strategic Objective 1: To advocate for a fair and effective tax system for financing development in Africa

To make progress towards this strategic objective and building on the successes of the previous two annual summer schools (2015 and 2016), AFRODAD hosted the 2017 Summer School from 06-10 November 2017 in Windhoek, Namibia under the theme “Strengthening Natural Resource Governance in Africa”.

Through the summer school, AFRODAD improved participant’s knowledge and understanding of revenue mobilisation and management in the extractive sector in Africa. During the school, participants

were equipped with crucial knowledge needed to effectively engage, influence policy change and contribute to the effective mobilisation of domestic resources within their geo-political boundaries. The summer school delivered eight modules, including two modules on Mineral Revenue Leakages, and Natural Resource Flows and Macroeconomic Policies, which included issues of taxation in the extractive sector, with special focus on government policies on tax incentives, problems with tax incentives and tax competition in Africa. More effective and transparent tax systems can contribute to broader governance reforms in Africa. Also, less dependency on external finances can promote domestic ownership of development programmes, thereby helping to improve the



During a summer school session

allocation of resources in a way that maximises social outcomes.

Tax systems are key to increasing, broadening, and expanding the resource base for financing various development initiatives in Africa as well as contribute to solving the unfair and inefficient tax systems that penalizes the poor and favours the rich.

AFRODAD continues to run a very active training program and this is important in terms of bringing new key actors and in raising the capacities and strategic focus of existing actors. AFRODAD ensured and facilitated the participation of parliamentarians, CSOs, media, academia and faith leaders. Capacitating faith leaders is important because they contribute to the advocacy efforts to stop IFFs and also to mobilise citizens to rally behind the agenda in their respective countries using their wider outreach advantage.

## **2.2 Strategic Objective 2: To contribute to the strengthening of extractive industries revenue management in Africa**

AFRODAD has maintained active representation and participation at key regional conferences and strategy meetings, which have been very important both in contributing progress towards strategic objective 2. This has been done through inputting expertise and showcasing findings and recommendations of researches on extractives in Africa as opportunities arise.

AFRODAD participated in the 8th Alternative Mining

Indaba and deliberations ended with a declaration that called upon African governments to develop an optimal land-use framework to determine whether mining should or should not take place in a given area and to invest heavily in gathering geological information to inform the terms of extractive concessions.

Governments were also called to recognise that the economic value of local ownership of mining rights is higher than foreign Multi-National Companies thus they should push hard for stronger and better regulatory institutions to ensure that the benefits of extraction are shared equitably. The issue of the need to domesticate the progressive regional processes and instruments at the national level like the AMV was also part of the declaration.

In addition, African nations are urged to dispense with the Foreign Direct Investment (FDI) logic of the MNCs, which invariably results in these countries unnecessarily competing against each other for foreign investment by lowering tax thresholds, thus further undermining their ability to mobilise adequate domestic revenues.

Governments also need to invest resources in their Sovereign Wealth Funds. Also included in the declaration are issues of corruption and lack of transparency, need to tackle over generous tax incentives, review/ renegotiation of unfavourable contracts, need to exercise maximum restraint in negotiating bilateral investment treaties including Double taxation agreements as these have been noted to undermine African countries' ability to mobilise resources.

## 2.2.1 Domestication of the Africa Mining Vision

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 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”**.

A draft report on the first four countries (Angola, Botswana, South Africa and Zimbabwe) was produced by the end of December 2016. Preliminary findings of this draft report were launched during the Alternative Mining Indaba in Cape Town on the 8th of February 2017. The remaining four country reports (Mozambique, Tanzania, Zambia, and Malawi) have been completed. The Zambia country report was launched at an AFRODAD side event during the Zambia 6th Alternative Mining Indaba, from 20th-22nd June 2017 in Lusaka, Zambia. All eight country reports have been synthesised to produce a SADC regional report. Preliminary findings of the regional report were launched at the AFRODAD thematic

café held during the 13th Southern Africa Civil Society Forum, from 14-16 August, 2017, in Johannesburg, South Africa.

“to create a sustainable and well-governed mining sector that effectively garners and deploys resource rents”

## 2.2.2 8th Alternative Mining Indaba, 6-8 February 2017, Cape Town, South Africa

AFRODAD participated in the 8th Alternative Mining Indaba that was held in Cape Town, from 6-8 February 2017. The event, ran on the theme “Making Natural Resources Work for the People: Domestication of the Africa Mining Vision: From Vision to Reality” and was attended by more than 450 delegates from non-governmental organizations, churches and community representatives from mainly mining affected communities from across the continent. This annual event gave to AFRODAD an opportunity to launch the preliminary findings of the draft report on the Assessment of the National Mining Legal Frameworks and Policies on the first four selected SADC countries (Angola, Botswana, South Africa and Zimbabwe).

## 2.2.3 Fluctuating Commodity Prices in Africa

The 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)” has been completed. The purpose of the study was 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 four country reports and a regional synthesis report based on the four case studies has been completed and launched. Preliminary findings of the Zimbabwe, Zambia and DRC reports and the regional synthesis report were launched during the course of the year. The Zimbabwe and Zambia reports have been finalized and published. The DRC and Angola country reports have also been completed.

## 2.2.4 Advocacy meetings and launch of the reports on ‘Impacts of fluctuating commodity prices on government revenue in the SADC region (Angola, Democratic Republic of Congo \_DRC, Zambia and Zimbabwe)

*i) Advocacy meeting and launch of the report on ‘Impacts of fluctuating commodity prices on government revenue in the SADC region: The Case of Platinum in Zimbabwe’*

The advocacy meeting and launch of the report was held at Holiday Inn Hotel, Harare on the 30th of May 2017. The meeting brought together 28 stakeholders to review the draft report in order to produce a publication that would sufficiently reflect the factual realities as far as fluctuating platinum prices in Zimbabwe are concerned. In attendance were representatives from government agencies, private sector, media, trade unions and civil society organisations. The research findings generated a lot of debate and recommendations from participants

particularly on the issues of data inconsistencies.

Various participants reiterated that indeed the issue of data inconsistency was a cause for concern and this is indicative of secrecy and lack of transparency and accountability in the mining sector. Official statistics should be objective and easily accessible and produced on a continuing basis so that measurement of change is possible. Participants further recommended areas of further study and analysis such as the impact of the bust and boom periods on investment.

Participants further suggested that AFRODAD and other CSOs should approach the relevant government agencies that supply decision-makers and other users including the general public and the research community with official statistics. They should then bring them together with the relevant data users to discuss the issue of data inconsistencies and advocate for timely, accurate and reliable data. AFRODAD revised and finalized the Zimbabwe country report based on the discussions, suggested revisions and recommendations from this meeting. The report was printed, published and disseminated during the course of the year.

ii) *Advocacy meeting and launch of the report on 'Impacts of fluctuating commodity prices on government revenue in the SADC region: The case of copper for Zambia'*

The meeting was held at the Cresta Golf view Hotel in Lusaka on the 8th of June, 2017. The meeting was attended by 45 participants who

included representatives from the media, CSOs, parliamentarians, academia and government representatives. After the presentation on the research findings, a panel discussion with representatives from various sectors took place. The panel comprised of a representative from the Ministry of Commerce and Trade; the University of Zambia (School of Mines); an international civil society organization and Hon. Mwalimu Simfukwe, Member of Parliament (Budget



Hon. Mwalimu Simfukwe (in a blue suit and tie) addressing a question from the audience

committee chairperson). Important issues raised in the meeting included how the mining sector's contribution to the economy was low and the need for diversification of the economy. Participants indicated that the issue of diversification had been on the political agenda since independence and what was needed was for this agenda to be fully operationalised.



Other important raised issues were on the need for an optimal tax regime for the mining sector, which would address excess profit taxes and windfall taxes as well as a control on the repatriation of profits by foreign multinational companies. Participants also drew the attention to the negative impact of privatization of the mining sector; the importance of strong institutions governing the mining sector and the need for further research on illicit financial flows in the mining sector including long term impact of the boom and bust periods on employment and social infrastructure.

AFRODAD finalized the Zambia country report based on the discussions, suggested revisions and recommendations from this meeting. The report was printed, published and disseminated during the course of the year.

*iii) Advocacy meeting with Parliamentarians and CSOs on 'Impacts of fluctuating commodity prices on government revenue in the SADC region: The Case of Copper in DRC'*

AFRODAD convened two targeted advocacy meetings with parliamentarians and CSOs for the study report on **'Impacts of fluctuating commodity prices on government revenue in the SADC region: The Case of Copper in DRC'** in Kinshasa. The meeting with parliamentarians was held at the Hotel Everest in Kinshasa on the 28th of August, 2017. The meeting was attended by 17 parliamentarians and senators. This was a targeted advocacy meeting with Members of Parliament of portfolio committees of mining as well as trade. The advocacy meeting with CSOs was

held at the Centre Culturel Boboto in Kinshasa on the 29th of August, 2017. The meeting was attended by 28 participants who included representatives from the media, CSOs, and academia.

After the presentation and discussions on the report findings and recommendations; important remarks that were formulated during the two advocacy meetings centred on the issues of data inconsistencies from the various data sources and the need to harmonize the statistics in the mining sector for increased transparency.

Both meetings pointed out that due to the weak policy and regulatory frameworks governing the mining sector in DRC, the contribution of the sector to government revenue and to GDP remained low even during boom periods. Tax evasion, tax avoidance, illicit financial flows and lack of transparency in the mining sector continue to hamper the efficient and effective resource mobilisation in the sector. Participants also reiterated the researcher's recommendations that there was need to diversify the economy.

*iv) Advocacy meeting with Parliamentarians on 'Impacts of fluctuating commodity prices on government revenue in the SADC region: The Case of Platinum in Zimbabwe'*

The advocacy meeting was held at the Rainbow Towers in Harare on the 28th of September, 2017. This was a targeted advocacy meeting with Members of Parliament of the portfolio committee on Mines and Energy. The meeting was attended by 15 participants. Important issues raised in the meeting included how



the mining sector contribution to the economy was low and the need for diversification of the economy.

Parliamentarians also emphasized on the need for a new Mines and Mineral Act which promotes transparent, equitable and optimal exploitation of mineral resources, in line with the provisions and guidelines of the AMV. The 1961 Mines and Minerals Act was said to be archaic and out of sync with the situation prevailing in the mining sector today.

v) *Regional advocacy meeting on the Synthesis report on 'Impacts of fluctuating commodity prices on government revenue in the SADC region'*

Preliminary findings of the synthesis report on 'Impacts of fluctuating commodity prices on government revenue in the SADC region, based on the four case studies were launched at the AFRODAD regional meeting on the 29th of September 2017 at the Holiday Inn in Harare. The meeting was attended by 25 participants.



Advocacy meeting with DRC parliamentarians at hotel Everest, Kinshasa

Participants at the regional advocacy meeting on “Impacts of Fluctuating Commodity Prices on Government Revenue in the SADC Region” in Harare, Zimbabwe



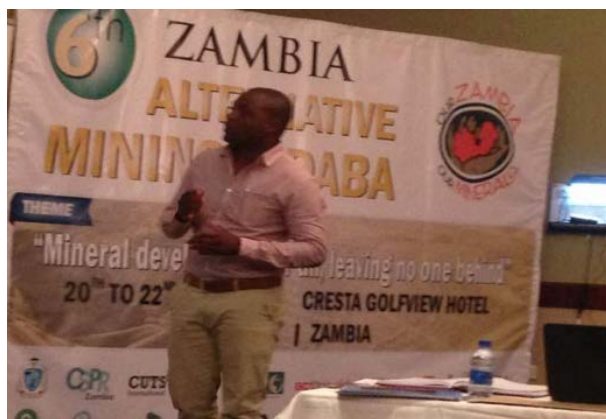
This synthesis report aimed at strengthening the evidence base and deepening understanding on the drivers and impacts of fluctuating commodity prices on government revenue in the four selected countries. It derived from findings from the four country papers and compared/ contrasted the extent to which fluctuations of commodity prices for selected minerals in those countries had affected economies.

It was clear from the four case studies that over reliance on commodity production and exportation with little or no value addition have increased the vulnerability of these four countries to volatility in mineral prices thereby reducing their ability to benefit from its minerals. Price fluctuations have exposed these four commodity dependent countries to greater macroeconomic vulnerability.

### 2.2.5 Zambia 6th Alternative Mining Indaba, 20-22 June 2017 in Lusaka, Zambia.

AFRODAD participated in the 6th Zambia Alternative Mining Indaba (ZAMI) that was held in Lusaka, from 20-22 June 2017 and was themed “Mineral development for all, leaving no one behind”. ZAMI gathered leading civil society members and experts from within Zambia, the Southern and Central African region, as well as international experts to learn and share about developments in Zambia’s extractive sector and beyond.

AFRODAD took this opportunity to organise a side-event to launch the Zambia report on “An Assessment of the national legal frameworks and policies of SADC countries against the AMV”.



Bright Masikati from AFRODAD presenting the Zambia Africa Mining Vision report at the AFRODAD side event during the Zambia Alternative Mining Indaba in Lusaka

### 2.2.6 AFRODAD Thematic Cafe during the SADC Civil Society Forum, 14-16 August 2017 in Johannesburg, South Africa

AFRODAD actively participated in the 13th Southern Africa Civil Society Forum (CSF) convened by faith based organisations, non-governmental organisations and trade unions from the region. The meeting was held at Birchwood Hotel and Conference Centre, Boksburg, South Africa from the 14th-16th August 2017. The CSF was informed by the theme “building people’s organisations, securing our common future, consolidating our gains and confronting our challenges”.

To contribute to the strengthening of extractive industries revenue management in Africa, AFRODAD hosted a thematic cafe on the 15th of August 2017, during the Southern Africa CSF, on the Regional Analysis Report (Assessing and documenting existing national mining legal frameworks and policies in Zimbabwe, Botswana, Malawi, Tanzania, Angola, Zambia, South Africa and Mozambique, against Africa Mining Vision and SADC Mining policy) policy recommendations. The Thematic Café allowed AFRODAD to bring the organisation’s key issues on the strengthening of extractive industries revenue management in Africa into the CSF. The Cafe ran within the main programme of the CSF and allowed the full participation delegates.

## **2.3 Strategic Objective 3: To advocate for and mobilize support for formulation and implementation of rules and regulations to tackle Illicit Financial Flows (IFFs) from Africa.**

The report on the “Developmental impact of illicit financial flows in SADC” contributed strongly to better understanding and increased evidence of IFFs and the negative impact on development. The report helped to increase understanding of the negative impact of illicit financial flows and crucially linked this to what should be done to curb them. Findings from the study informed the AFRODAD International Conference on Combating IFFs from Africa.

This deepened and strengthened global awareness on the magnitude and impact of illicit financial flows in SADC to guide advocacy work aimed at influencing rights’ holders to contribute to improved policies and legal frameworks governing the curbing of IFFs. The participation of MPs, CSOs and Media from Africa, Asia and Europe shows that globally, there is strong public and potential interest and willingness to address the issues around IFFs. AFRODAD’s participation in key regional and global conferences has also helped build an efficient and coordinated global CSO coalition working together across the world to coordinate actions, share information and mobilise support for formulation and implementation of rules and regulations to tackle illicit financial flows from Africa.

2.3.1 AFRODAD International Conference on Curbing Illicit Financial Flows from Africa, 23-24 February 2017

AFRODAD successfully hosted the high level stakeholder International Conference on Curbing IFFs from Africa at the Holiday Inn in Harare, from the 23rd-24th February 2017. The theme of the workshop was: Strengthening the Role of Parliament and Civil society in combating IFFs, with special focus on natural resources revenue management. AFRODAD launched findings from the report on “Assessing the developmental impacts of Illicit Financial flows from the SADC region”.

The Conference was attended by 45 delegates including MPs, CSOs and Media from Africa, Asia and Europe. Countries represented at the conference include Belgium, Botswana, Burkina Faso, Burundi, Cote D’Ivoire, Ethiopia, Guinea, Kenya, Malawi, Mali, Mozambique and Nepal. The Conference was covered in “The Nation Newspaper” in Malawi (27th February, 1st March 2017).

From the conference presentations and discussions, participants were able to assess all the issues around IFFs and specify the most urgent issues and actions that need to be taken at national, regional and global level to address these issues. Participants identified issues such as weak regulatory structures in developing countries facilitating IFFs, the need for good governance and transparency to effectively addressing IFFs and the need to strengthen and improve regional and national technical and human





Participants of the 2017 AFRODAD International Conference on IFFs

capacity of the relevant institutions such as tax authorities to enable close monitoring of the channels of IFFs.

In addition, participants identified collaborations at regional and global levels they felt would be useful and they identified tools that should be used by CSOs in tackling IFFs such as advocacy (media engagement, lobbying and networking with CSOs), trainings, and community mobilisation to create a critical mass movement of people who understand the issues and whistle blowing.

### 2.3.2 Sixth Africa Policy Circle Policy Meeting, 1-2 June 2017

AFRODAD maintained engagement with other non-

traditional partners of the African Civil Society Circle at the 6th African Policy Circle Meeting entitled "Tackling Inequalities through Structural Reforms to strengthen Sub-Saharan voices in global development debates". The meeting was held on 1-2 June 2017 in Gaborone.

Participation in this forum continues to strengthen AFRODAD's connections with other think tanks and civil society organizations in Southern Africa. This enables AFRODAD to continue promoting common positions on key development challenges, and tackling inequalities through structural reforms. Tackling inequality remains high on the global political agenda. The keynote presentation illustrated different perceptions on inequalities and the future on inequality in

East Africa, termed the Federal State of East Africa comprising of Burundi, Rwanda, Tanzania and Kenya. As a pan- African Organisation, AFRODAD has the opportunity to also explore the different perceptions on inequalities and the future on inequality for Africa.

### 2.3.3 EURODAD International Conference, 20-22 June 2017, The Hague, Netherlands

The EURODAD Biennial international Conference took place on 20th-22nd June 2017 in The Hague, Netherlands themed, **”Alternative policies for sustainable world: Better ways of financing global development and strengthening global economic regulation and governance”**. The conference provided a forum for discussion, idea-sharing and collective strategizing for civil society groups advocating for reform of development finance. It brought together leading civil society thinkers from around the globe working on issues ranging from debt, tax justice, aid, private finance, the International Financial Institutions (IFIs) and global monetary reform. The conference allowed AFRODAD to broaden understanding of key issues, identify and move forward on collective struggles, forge new alliances and meet inspiring people. Experts from academia and other leading thinkers such as AFRODAD’s Executive Director, Dr. Fanwell Bokosi, who presented on **“Market finance vs. public finance for infrastructure –impacts and challenges for CSO work”** provided additional stimulus, and allowed the break out of our traditional habits when strategizing and planning for the future.

### 2.3.4 7th Africa Policy Circle Policy Meeting, 5-6 October 2017

AFRODAD met with other partners of African Civil Society Circle at the 7th African Policy Circle Meeting entitled **” Structural Inequalities as a driver for Violent Extremism**. The meeting was held on 5-6 October 2017, in Mombasa.

### 2.4.5 5th Pan African Conference on IFFs and Taxation

AFRODAD recognises that to influence policy-makers in the region and on a global scale, civil society actors and allies must have a clear strategic direction, and coordinate advocacy including campaigning around this shared focus.

In this regard, AFRODAD joined other civil society organisation in the region in support and to strengthen the CSO movement for combating IFFs out of Africa at the 5th Pan African Conference on IFFs and Taxation that was held on 11th – 12th October 2017, in Nairobi, Kenya.

The Conference provided a platform to multiple stakeholders and policy actors drawn from governments, CSOs, research and academia and other relevant players to deliberate on the emerging attempts to recast and reshape the IFF narrative and methodology and what this would signify for the struggle against IFF from Africa and more broadly for the implementation of the SDGs.

Two papers covering two broad themes of the conference were presented to facilitate discussions on the issues on: Challenges, limitations on a definition, data, measurement, methodology on IFF in the context of Target 16.4 of the SDGs; Implementing HLP Recommendations: Policy opportunities, challenges and success stories.

### 2.4.6 AFRODAD 2017 Summer School

AFRODAD believes that success in mobilizing domestic resources as a primary source of financing development in Africa hinges on curbing illicit financial flows (IFFs) and addressing the 'natural resource curse' cataclysm which haunts many mineral resource rich countries in Africa. In order to contribute to the development and implementation of transparent, accountable and efficient mechanisms for mobilisation and utilization of domestic resources in Africa, AFRODAD ran its 3rd annual Summer School Training. It gathered 25 participants drawn from parliamentarians, civil society, faith leaders and the media to provide an innovative way of engaging with a core group of influencers and decision-makers. AFRODAD aimed at building participants' understanding and commitment to key issues of concern, in particular related to illicit financial flows and natural resource governance.

Building on the successes of the previous two annual summer school (2015 and 2016), the third edition was held from 06-10 November 2017 at Safari Court

Hotel in Windhoek, Namibia, under the theme **“Strengthening Natural Resource Governance in Africa”**.

The Summer School content and modules were informed by outcomes of the February 2017 CSOs and Parliamentary International Conference on Illicit Financial Flows (IFFs), and DRM research recommendations and findings on: Assessing national mining legal frameworks and policies in selected SADC countries against the Africa Mining Vision and SADC Protocol on Mining.

Summer School discussions centred on national laws governing rights to resources, including community ownership of rights to resources on their land, impacts of resource rights on sustainable development, on communities

“ In this regard, AFRODAD joined other civil society organisation in the region in support and to strengthen the CSO movement for combating IFFs out of Africa ”



AFRODAD 2017 Summer School Participants holding their certificates' of attendance

(women and the youth), and on the environment. The school also explored the Africa Mining Vision and assessed its domestication and implementation in the region. In terms of governance and transparency in managing natural resources, the summer school unpacked and explored the influence of Extractive Industries Transparency Initiative (EITI) in achieving resource transparency and economic growth.

Discussions also explored the various ways in which mineral revenue leakages occur in Africa and the

various ways to mitigate these leakages, including curbing illicit financial flows, issues of transfer pricing, fiscal incentives and Double Taxation Agreements. In addition, AFRODAD included modules on theological reflections, debt and extractives, gender and extractives and the role of the media in extractive industry management.



### 3.0 INTERNATIONAL PUBLIC FINANCE

Thematic Goal: To influence the quality, impact and effectiveness of international public finance in line with the agreed development cooperation effectiveness principles.

“AFRODAD has influenced the quality of international public finance by its contributions to the current OECD re-definition of Official Development Assistance”



AFRODAD has influenced the quality of international public finance by its contributions to the current OECD re-definition of Official Development Assistance (ODA) and in the formulation of OECD principles of blended finance. These principles will be used by OECD countries as they implement blended finance projects.

AFRODAD's call in its engagement with the BRICS (Brazil, Russia, India, China and South Africa) was for truly sustainable infrastructure and transformative development cooperation. This resulted in the BRICS formally inviting CSOs to discuss further priorities that the New Development Bank should consider. AFRODAD with other CSOs recommendations of making the Civil BRICS Forum an institutionalised platform has resulted in China hosting Civil Forum in 2017.

In 2017 AFRODAD sharpened research, policy analysis and technical experience in addressing issues of development effectiveness. Key achievement was the contribution to the advocacy efforts for the adoption of the 2016 Nairobi Outcome document of the Global partnership for effective development co-operation.

#### 3.1 Strategic Objective 1: To influence African governments and development partners to implement development effectiveness principles and practices.

AFRODAD work on development effectiveness has been integral in supporting and informing African civil society in a range of fora including in the Global Partnership for Economic Development Cooperation and civil society platform for development effectiveness.

The profiling of ODA ensured that civil society actions towards the realisation that ODA

though increasing in figures was decreasing as a percentage of gross national income. This result amplifies the reality that ODA is no longer the most important financing source. This also resulted in the change in messaging that more efforts should be targeting towards resource mobilisation.

The AFRODAD policy brief on blended finance, a phenomenon raised in the AFRODAD strategic document resulted in AFRODAD being invited to speak on the issue to labour union during the Colloquium on “Financing for Development in the SDGs ERA. Part of the recognition was AFRODAD being invited by the OECD to be part of the team coming up with guiding principles of Blended finance. In fact AFRODAD was the only representative from Africa in this platform. AFRODAD was also invited to become part of the civil society platform that should lobby the OECD on ODA issues.

### 3.1.1 Production of Regional Aid profiles and policy briefings on development effectiveness.

Regional Aid profiles for Central, Southern, West, North and East Regions were produced. The profiles focused on the economic development, human development index status, trends of Official Development Assistance (ODA) from 2010 to 2014. Other indicators assessed in the aid profiles included net official development assistance received, net ODA as percentage of gross national income and net ODA per capita. The Aid profiles recommend an exit from

dependency on ODA and encourage governments to concentrate more on Domestic resource mobilisation.

### 3.1.2 Production of policy brief titled “Blended Finance and Agenda 2063.

The policy brief highlighted how the role of Blended Finance in mobilising private finance for development is gaining prominence and realism on the importance of mobilising private resources to achieve the Agenda 2063. The brief notes that Blended finance mechanisms are premised on the transfer of risk from the private sector to government which might have negative development consequences in terms of the costs that are not quantified which governments will assume.

The policy brief also highlights the concerns around the use of blended finance and aids to the OECD current discussions on developing guiding principles for blended finance. Amongst the concerns is that transparency and accountability should be the given due diligence in blended finance as studies have shown that blended finance has witnessed poor project ownership and accountability. The brief has been shared online and distributed to AFRODAD's targets policy makers.

This policy brief resulted in AFRODAD being invited to speak on the issue of labour union during the Colloquium on “Financing for Development in the SDGs ERA” held in Blantyre Malawi in February 2017. Part of the recognition was AFRODAD being invited by the OECD to be part of the team coming up with

guiding principles of Blended finance. Worth noting is that AFRODAD was the only representative from Africa in this platform.

### 3.1.3 Lobby and Advocacy endeavours (Colloquium on “Financing for Development in the SDGs ERA: Unpacking Blended-Finance and Public-Private Partnerships and their implications for Development Outcomes”).

AFRODAD participated in the Colloquium on **“Financing for Development in the SDGs ERA: Unpacking Blended-Finance and Public-Private Partnerships and their implications for Development Outcomes”** held in Blantyre Malawi in February 2017. AFRODAD made a presentation on the “Unpacking the Blended Finance Instrument and its role in financing SDGs”.

Through the presentation AFRODAD shared on the common standards of reporting needs to be established for all providers using blended finance instruments. Participants called for a radical overhaul of transparency and accountability of the current blending mechanisms noting that for blended finance to help achieve the SDGs it should follow Development effectiveness principles in which ownership of projects should be determined by the beneficiaries.

### 3.1.4 Lobby and Advocacy endeavours EU-SADC Economic Partnership Agreement (EPA) Meeting with Southern Africa Trust.

AFRODAD participated in the Economic Partnership Agreement (EPA) Meeting organised by the Southern Africa Trust. The meeting sought to reconnect the EPA development discourse under the auspices of “the SADC We Want”. The meeting looked at the EU-SADC EPA, agreement status of implementation in the SADC as well as EPAs and Environment justice. The meeting noted that the EU-SADC EPA was at implementation stage and that there was need for countries to start implementing or risk losing out. AFRODAD made it clear that EPAs were bad for regions in Africa. AFRODAD made proposals in which governments can negotiate better so that they do not lose out in future.

### 3.1.5 Peer review of development effectiveness work for likeminded organisations

AFRODAD was requested to peer review the Oxfam “Donor private sector partnerships- Harnessing their potential, minimising their risks” document. The review touched on the comments to the policy recommendations, feasibility of the policy recommendations and on areas of more

research to substantiate policy. AFRODAD noted that areas that needed more research were private sector engagement in line with development objectives at country level to assess whether private sector engagement in development was having a positive impact towards reducing poverty and improving peoples' lives; whether engaging the private sector in development brings a net benefit – or additional more research on donor private sector partnerships (DPPs) and the results.

### 3.1.6 OECD strategy meeting 14 and 15th September 2017

AFRODAD also participated in the OECD strategy meeting between the DAC chair and CSOs on 14 and 15th September 2017. The meeting was the first official engagement between the OECD and civil

society. The meeting resulted in AFRODAD being part of the CSO reference group.

The meeting discussed among other things, the new definition of ODA that the OECD was proposing, credibility of ODA's private sector instruments, refugee costs and total official support for sustainable Development (TOSSD). The outcome of the meeting resulted in the OECD inviting for the first time a CSO representative to the OECD high level meeting. It also resulted in the OECD making it a priority to ensure that CSOs are consulted in a systematic way two weeks before big OECD events. As part of the civil society present, AFRODAD made inputs into redefining ODA.

### 3.1.7 advocacy and campaigns on Development Aid

AFRODAD also developed a concept note for

## **DAC-CSO Reference Group holds strategy meeting amidst ongoing reform processes**



Group photo

advocacy and campaigns on Development Aid, Migration, Africa-European Union Partnership and Development Finance with OXFAM international which will be used as a fundraising tool. It is anticipated that this collaboration will lead to systematic reform towards a coherent, fair, effective, progressive, transparent European investment plan that directly supports the SDGs and Agenda 2063.

### 3.1. 8 Reality of Aid global assembly, 13 September, Paris France

AFRODAD participated in the “Reality of Aid global assembly” in Paris, France on 13th September. The meeting discussed the changing face of ODA including the theme for the 2018 Reality of Aid publication. Over the years, AFRODAD has published articles in this publication and in September it also concluded a chapter titled “Development partnerships in Health and Education in Malawi and Mozambique, Is it a Human Rights Based Approach?” The chapter accessed four US projects in the two countries and highlighted that while USAID projects adhere to Human Rights-Based Approach (HRBA), the overall national education and health state in these two countries remain poor. The two governments should improve their revenue collection and debt sustainability frameworks for the realisation of a HRBA.

The Chapter concluded by noting that the challenge is therefore how to meet development needs that satisfy a HRBA without accumulating debt beyond sustainable levels. This chapter will be published in November 2017.



In this picture, Taurai Chiraerae with other delegates at Reality Aid Global Assembly

### 3.2 Strategic Objective 2: To enhance the capacity of governments to understand and engage on implications of public finance from emerging sources and monitor its development on poverty reduction.

The review of the EURODAD publication titled “Public Development Banks: Towards a Better Model” resulted in a consolidated lobby and advocacy tool that will build and support powerful coalitions for change in public development banks. By working with South Africa Department of International Relations and Cooperation, AFRODAD’s work on the BRICS, mainly the New Development Bank, led to the bank being inclusive of the interest of the poorer and excluded sections in each of its member countries resulting in NDB inviting CSOs for a meeting in October 2017.

AFRODAD comments to the Civil BRICS concept for 2018 during a BRICS strategy meeting ensured that African priorities were on the agenda. AFRODAD concept note on Marshal plan and compact with Africa resulted to donors like Bread For The World requiring a consultation meeting to get more of African views on these initiatives. The continuous contributions by AFRODAD in the reality of Aid publications as seen through articles in 2012, 2014 and 2017 global publication has resulted in AFRODAD's recognition as a contributor to policy change in Aid Issues. There is a renewed interest from Reality of Aid Global for AFRODAD to engage more in this platform as witnessed by Reality of Aid Global invitation to AFRODAD to determine the next topic for the 2018 publication. This is an important lobby space for AFRODAD to present messages to the global community. AFRODAD's work on South-South Cooperation (SSC) has resulted in it being invited to do a joint work by the Network of Southern Think Tanks (NeST) Secretariat on Africa measures, monitoring finance towards the SDGs and Agenda 2063

### 3.2.1 Monitoring New Development Bank (NDB) lending policies and practices.

AFRODAD worked with other civil society organisations and presented a paper with recommendations that sent a bold message to the New Development Bank (NDB) to avoid investments in large hydropower plants, coal and infrastructure projects that cause high environmental and social impacts. The paper noted

that the NDB should also establish a consultation process for the design of its strategy and policies, as well as for the review of the existing ones.

[http://www.conectas.org/arquivos/editor/files/Folheto%20The%20BRICS%20Sustainable\(2\).pdf](http://www.conectas.org/arquivos/editor/files/Folheto%20The%20BRICS%20Sustainable(2).pdf)

### 3.2.2 CSO and BRICS New development Bank Engagement

AFRODAD participated in the first BRICS New development Bank meeting in shanghai on the 24th and 25th October 2017. Key issues discussed during the meeting included transparency, information disclosure, gender, environmental/social management and civil society engagement. The meeting resulted in a communiqué that CSO shared with the bank. AFRODAD made a presentation with regards to transparency specifically demanding project documents on current bank projects.

CSOs including AFRODAD in turn presented their concerns, suggestions, and demands on issues of transparency, accountability, access to information, gender, environmental and social management, and mechanisms to institutionalize civil society engagement to the bank. Following AFRODAD's engagement with the NDB senior management staff, AFRODAD trusts that the NDB will address and commit to taking action on these issues.

### 3.2.3 Review of the Public Development Bank (PDB): Towards a



NDB's President addressing delegates at the NDB's meeting in Shanghai



NDB meeting participants: In the picture Mr K.V Kamath President of the Bank, Vice President V. Kazbekhov (Russia), Vice President Xian Zhu (China) Vice President Kazbekhov (Russia) with CSOs from BRICS countries and Mr Taurai Chiraerae

### Better Model publication.

AFRODAD reviewed a publication by EURODAD entitled “Public Development Banks: Towards a Better Model”. The review highlighted that Public Development Banks should support national strategies by supporting activities that enhance government’s capacity to generate revenue and projects that strengthen tax administration and enhance Domestic resource mobilisation. The review also noted that there is need to mitigate foreign exchange rates risks for long term financing.

Local currency fluctuations to the hard currency should be guarded against by either recording the loan in local currency or by designing the disbursement pattern of the loan. That means instalments are not once off but the loan is disbursed in batches like 40%, 30%, and 20% to spread the risk. AFRODAD noted that not only should PDBs utilise national country systems but also engage using the development effectiveness principles like focus on results, inclusivity national ownership and transparency and accountability

### 3.2.4 BRICS 2017 Summit.

AFRODAD participated and made submissions during the BRICS strategy meeting in South Africa in January 2017. AFRODAD urged for continuation of the Civil BRICS platform as a formal process to engage. The reflections also touched on the negative aspects of the Civil BRICS summit as with regards to program structure, level of expertise of panellists, the lack of alternative solutions to raised problems and the lack

of synergies between the Civil BRICS and the Goa Peoples forum. AFRODAD recommended that Civil BRICS process need to have clear terms of reference; and the need for inclusion of CSOs that are not from within the BRICS countries.

AFRODAD being the only African CSO present at the South African strategy meeting, it was able to share the African views with regards to the BRICS and G20 processes. AFRODAD became part of a working group that is going to work with the South African Department of International Relations and Cooperation (DIRCO) in preparation for South Africa to host BRICS in 2018. Work has already commenced including making comments to the Civil BRICS concept note for 2018.

AFRODAD with African Development Interchange Network (ADIN) from Cameroon developed a concept that resulted in an online consultation on African views on the G20 Compact with Africa and the Marshal plan.

Consultations noted that there was little or even no space provided for African Civil Society to really influence the G20 in a positive way for Africa. It is necessary to make sure that African citizens engage their Governments and put important issues on the table for them to consider as they interact with foreign partners in general and the G20 in particular.

### 3.2.5 Research on South-South Cooperation.

AFRODAD produced one article entitled “BRICS



weathering the global storm and moving on”. The article explored the International reaction to the formation of the grouping such as BRICS. The article notes the challenges within the BRICS, such as failing to speak with one voice on global economic and financial challenges. All BRICS countries have investments in Africa and they need to stop tax evasion, money laundering and corruption. The article urged BRICS to work towards the establishment of a tax and custom cooperation framework as promised by India.

### 3.2.6 Human Rights Based Approach research in Education and Health in Malawi and Mozambique.

AFRODAD responded to the call for contributors by IBON International with a bid to write a chapter on Human Rights Based Approach research in Education and Health in Malawi and Mozambique. The bid was accepted and AFRODAD conducted the research work that focused on a review of two USAID projects in two sectors of Education and Health. The chapter was meant to be part of the reality of Aid global publication for 2017.

### 3.2.7 Network of East and Southern Think Tanks Planning meeting on 17 May 2017

As a member of the Network of East and Southern Think Tanks (NeST), AFRODAD participated in the

planning meeting on 17 May 2017. AFRODAD noted the need for NeST to popularize its South-South monitoring and evaluation framework so that governments adopt it as a reporting standard or consolidate it to its already existing reporting framework.

The network could encourage CSOs and think tanks to utilise this tool in their research work and also target apex institutions like the AUC/NEPAD and UNDP to popularize this. Concerning governments, it was noted that if the South African government adopted the framework, it

“AFRODAD produced one article entitled “BRICS weathering the global storm and moving on”.”

would have the political muscle to make other countries follow suit.

AFRODAD was actively involved in the formulation of these principles. The meeting discussed key issues that included work plan, capacity building, knowledge sharing, and research evaluation, improvements of data and information management. AFRODAD made a presentation that shed some insights on the regional development priorities and the role/ contribution that SSC and South Africa can make to the region. AFRODAD also provided recommendations to the NeST Africa members

on what should be policy priorities to focus research, analysis and evaluation in the coming years.

### 3.2.8 BRICS conference on South-South and Triangular Cooperation 24-25 August 2017 at India Habitat Centre, Lodhi Road, New Delhi

AFRODAD participated in the BRICS conference on South-South and Triangular Cooperation that was organised by the Ministry of External Affairs, Government of India; United Nations; Forum for Indian Development Cooperation and NeST on 24-25 August 2017 at India Habitat Centre, Lodhi Road, New Delhi. The conference highlighted diverse perspectives on SSC and also led to a substantially enhanced understanding of the wide spectrum of its approaches and its growing impact. Participation of 120 subject experts from 35 countries spread over 20 important specific sessions, focusing on different aspects of global development assistance strategies witnessed exchange of candid views on the importance and effectiveness of SSC.

## **3.3 Strategic Objective 3: To build capacity to understand the implications and develop frameworks of Publicly Supported Private Finance and Public Private Partnerships that contributes to sustainable development.**

AFRODAD engagement in Health and Education is

fairly a new area. This year's work on privatisation was as a result of the policy brief on Health and Education that AFRODAD produced in early 2017. Recommendations from this research are forming the basis of AFRODAD's work on privatization of Health and Education. Organizations taking part in this research (including AFRODAD) will also use this research to lobby SADC region to take a cautious approach in terms of enforcing legislation on privatization and in monitoring the engagement of private players in Education.

### 3.3.1 Policy brief titled “Public Private Partnerships of Health and Education sectors.

AFRODAD produced a policy brief titled “Public Private Partnerships of Health and Education sectors; Are the poor in the Analogy?” The brief noted that opening up the health and Education sectors to the private sector should be done in consideration of the general populace. While it broadens the base for making choices to the rich it cannot be said of the poor. It gave a brief description of selected countries such as Malawi, Zimbabwe, Lesotho, Mozambique and Zambia. It then proffered the need to reduce the negative effects of privatisation.

### 3.3.2 Research on the extent and

impact of privatization on education and health rights of all citizens.

AFRODAD is implementing a study on Privatisation of Education and health services in selected Southern African Countries (Zimbabwe; Malawi, Mozambique, Swaziland, Lesotho, South Africa, Zambia, DRC, Namibia and Swaziland) on behalf of OSISA.

The objective of the research is to analyse and identify gaps in the regulatory and policy instruments governing privatization and at the regional level with a specific focus on challenges, successes and best practice in the conceptualization, implementation and adherence to the regulatory frameworks.

AFRODAD hosted a validation workshop for the Privatisation of Education and health study. The



AFRODAD presentation OSISA office, Johannesburg, South Africa

22nd November. It included representatives from ministries of health and education from countries

under review.

The validation meeting was attended by CSOs working on Health and Education rights from the SADC region. The meeting interrogated the privatisation study and recommended that the right to education and health remain fundamental human rights that the state should provide.

AFRODAD is finalizing the study after the validation meeting. It also produced a policy brief titled “Education and Health privatisation in the SADC region, trends prospects and challenges”. Both the research and policy brief put to the fore the fact that private players have a role to play in providing health and education services which should be complimentary and not overshadow the governments’ constitutional mandate to provide for these services.

### 3.3.3 Policy brief titled “Public Private Partnerships of Health and Education sectors; Are the poor in the Analogy?”

AFRODAD produced a policy brief titled “Public Private Partnerships of Health and Education sectors; Are the poor in the Analogy?” The brief noted that opening up the health and Education sectors to the private sector should be done in consideration of the general populace. While it broadens the base for making choices to the rich it cannot be said of the poor. It gave a brief

description of selected countries such as Malawi, Zimbabwe, Lesotho, Mozambique and Zambia. It then proffered the need to reduce the negative effects of privatisation in brief.

### 3.3.4 Peer Review “Sounding the Alarm on Dangerous Public-Private Partnerships”

AFRODAD also reviewed a policy paper titled “Sounding The Alarm On Dangerous Public-Private Partnerships”, authored by EURODAD

<http://www.eurodad.org/files/pdf/1546821-world-bank-must-stop-promoting-dangerous-public-private-partnerships-1507797759.pdf>.

After the review, AFRODAD signed on to the policy paper together with other like-minded organisations. The policy paper urged the World Bank, the International Monetary Fund and other public development banks, together with governments of wealthy countries, to reconsider their approach to social and economic infrastructure financing. They should stop incentivising PPPs and publicly recognise that there are better alternatives to financing development projects.

## 4.0 INSTITUTIONAL AND ORGANISATIONAL DEVELOPMENT

“One can see and confidently say that **AFRODAD** has grown both programmatically and institutionally.”



### 4.1 Governance and Board Issues

To strengthen the governance of AFRODAD and in line with the Trust Deed, the constitution and the Board Charter of the organisation, four new members were appointed in July replacing those members who had retired from the board as per the board regulations of AFRODAD. These new Board members are Dr Tinenenji Banda (Lawyer from Zambia), Dr Richard Kamidza (Development Studies, Zimbabwe), Dr Fred Muhumuza (Economist, Uganda) and Mr. João José Uthui (Development Expert, Mozambique).

### 4.2 Administration and Human Resource Management

The following is a brief analysis of the finance and administration position of AFRODAD through the financial year which ended on 31 December 2017. It gives historical accounting information for the year under review.

#### 4.2.1 Administration

- The pool car, Toyota Axio, which was purchased in December 2016 was successfully registered by the end of January 2017;
- A new borehole was installed in April and a water test which was carried out showed the water was suitable for human consumption;
- A number of repairs/ maintenance were done in and around the office premises to maintain their value. This includes durawall repairs, roof repairs, fixing lighting around the office and carport repairs.

## 4.1.2 Human Resources Management

In 2017 April three positions were filled:

- The DRM Policy Analyst, Emmanuella Advent Matare;
- The Media and Information Coordinator Fidélité Nshimiyimana who is Rwandese but based in Nairobi Kenya;
- The Finance assistant, Cathrine Fadzai Bhila.

In the new Strategic Plan Organogram, the major position yet to be filled is that of the Head of Programs.

The recruitment of the Media and Information Coordinator who is not resident in Harare is in line with the dispersion model of the new strategic plan.

The position of the Head of programs is expected to be filled by March 2018. In June 2017, a Debt Project Consultant Evidence Ndari was recruited to help in the Debt Portfolio. Also, the position of the Finance and Administration Manager was filled by Annah Mushunje who had been in an acting capacity since October 2016

During the year AFRODAD had 3 interns and one of them Bright Masikati became the DRM research consultant from January to April then he became the DRM research consultant in August 2017 up to the end of the year. Another intern, Rangarirai Chikova who is pursuing his Master's Degree in Belgium joined from

August to October also under the DRM portfolio due to the overwhelming work in that thematic area. Lewis Chigova joined in October and finished his internship in December. He is pursuing a PhD in Development Studies in South Africa and he was under the IPF thematic area. The total staff compliment to date is nine, supported by project consultants and interns.

### In Summary...



One can see and confidently say that AFRODAD has grown both programmatically and institutionally. The implementation of the strategic plan 2016-2020 is successfully on course. AFRODAD's presence and impact is steadily growing in Africa and beyond. In order to diligently execute various activities funded by a growing number of exceptional financial partners, accountability measures have been established and they will be respected. Monitoring & evaluation as well as sufficient communication to relevant stakeholders are all part of the plans that the organisation has as it moves forward in "influencing African governments to institute and implement policies and practices for sustainable development and eradication of poverty" in Africa by 2020.





**AFRICAN FORUM AND NETWORK  
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