STRATEGY FOR RENEWAL AND TRANSFORMATION 2011 – 2014

ACP Secretariat
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FOREWORD

It is a delight to present our Strategy for Renewal and Transformation 2011—2014, the strategic plan of the Secretariat of the African, Caribbean and Pacific (ACP) Group of States for the period 2011—2014. This document represents our promise and our commitment in the years ahead. I am, of course, not unmindful of the enormous challenges that we face today. In a world that is changing with breath-taking rapidity, we must reinvent ourselves so that we are in a better position to serve the interests of our nearly one billion people.

When I assumed leadership as Secretary-General of the ACP Group in March 2010, I solemnly committed myself to reinvigorate the Secretariat to enable it fulfil the high expectations from our member countries and development partners in Europe and elsewhere. Having spent nine memorable years at the Economic Community of West African States (ECOWAS), I welcomed the opportunity of leading an intergovernmental body committed to promoting development and international understanding between Europe and our group of 79 member countries. Our partnership with Europe is widely regarded as a model of North-South cooperation based on dialogue, interdependence, contractual obligations and mutually shared responsibilities.

If the ACP did not exist, it would have been necessary to invent it. A stepchild of history, the EU-ACP partnership stands for much more than what some may perceive as a post-colonial relationship. It represents for many a symbol of hope in a divided world. We are also united by the shared values of democracy, human rights and the rule of law; values which lie at the heart of our political dialogue and development partnership. We at the ACP celebrate our diversity as a source of strength. As an intergovernmental organisation, we stand for solidarity, for dialogue between nations and peoples and civilisations – for collective action in solving some of the world’s most critical challenges.

Among the Dagomba people of the ancient savannah of northern Ghana, it is said that wisdom is like the baobab tree; no one individual can embrace it. It is evident that we will continue to need the support of our development partners in Europe for the foreseeable future. At the same time, we are acutely aware of Europe’s changing priorities and the geopolitical imperatives underpinning the changing institutional architecture of the New Europe. In the coming years, we will work towards strengthening the traditional partnership with Europe even as we explore new linkages with the emerging economies of Asia and Latin America. To survive and flourish in the years ahead, we must reinvigorate our organisation to achieve optimal performance while generating as well as sharing knowledge and best practices and ensuring accountability for results on the ground. This task begins today.

Mohamed Ibn Chambas
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Assistant Secretary General
Macro-economics, Development Finance and Intra-ACP Programming
MESSAGE FROM THE CHAIR OF THE COMMITTEE OF THE AMBASSADORS

The ACP Group has been one of the most enduring institutions in the landscape of international economic diplomacy. An intergovernmental body comprising 79 member countries from Africa, Caribbean and the Pacific, we are united together by a shared sense of history and a common vision of the future. Originally brought together as a result of the “Association clause” in the Rome Treaty of 1957 which established the European Common Market, the Georgetown Agreement of 1975 formally established the ACP Group as an intergovernmental association. Based in Europe’s capital of Brussels, the ACP Group has a Secretariat that coordinates its activities and provides a rallying point for its meetings and development agendas. For ACP diplomats, a posting to Brussels means accreditation not only to Belgium and the EU Commission; it presents the challenge as well as opportunity of engaging with colleagues within the ACP family of nations.

I believe I speak for my colleagues when I say that we at the ACP are currently at a crossroads. Europe itself is undergoing marked institutional changes. The international environment in which we live is also undergoing major changes. We face new challenges and new economic and geopolitical realities to which we must adapt. This strategic plan document is the outcome of intense work within the Secretariat and with my colleagues in the Committee of Ambassadors. The key elements of the plan were approved at the 92nd meeting of the ACP Council of Ministers which took place in Brussels in November 2010. The plan represents a renewed commitment to the revitalisation and rebirth of the ACP Group. I want to congratulate the Secretary-General H. E. Dr. Mohamed Ibn Chambas and his management team for this ambitious undertaking. My colleagues and I will do our part to support the leadership of the Secretariat as they embark on these reforms. It is a call to action requiring all our efforts, commitment and dedication in the years ahead.

Shirley Skerritt-Andrew
Ambassador of the Eastern Caribbean States (Commonwealth of Dominica, St. Kitts and Nevis, Saint Lucia, St Vincent and the Grenadines)
and Chairperson of the ACP Committee of Ambassadors
ACKNOWLEDGEMENTS

In October 2010, the Secretary-General, H. E. Dr. Mohamed Ibn Chambas, in exercise of his authority under the Georgetown Agreement, announced his plan to launch a new strategic plan for the ACP Secretariat covering the period 2011—2014. Dr. Chambas assumed office in March 2010. He described that year as a transitional one; a period of stocktaking on where we are coming from, where we are currently and where we ought to be heading. The Secretary-General confided the responsibility of driving the new strategic plan process to the Chef de Cabinet, Dr. Obadiah Mailafia. An in-house committee was constituted to ensure a participatory approach in the definition of a shared vision for the organisation. Our terms of reference required that we think boldly and creatively in drawing up new initiatives that will fundamentally reposition the Secretariat for greater effectiveness in the years ahead.

Some considerable effort has gone into the preparation of the current strategic plan. We have undertaken consultations within the Secretariat as well as with some of our external stakeholders. We also incorporated lessons learned from the 2007—2009 Strategic Management Plan. Inputs were received from all the mainline departments. The report has also benefitted from insights gained from discussing with some members of the ACP Committee of Ambassadors in Brussels and with colleagues from the European Commission. Our regular engagements with our friends at the European Centre for Development Policy Management (ECDPM) in Maastricht, Dr. Paul Engel and Mr. Geert Laporte, have also proved invaluable. We wish to acknowledge the interest and contributions of the Assistant Secretaries-General Achille Bassilekin, Paulo Kautoke, Michèle Dominique Raymond and Nthisana Phillips. The following staff served on the committee and made invaluable contributions to the project. Salima Abdool-Carrim, Lawrence Chilimboyi, Morgan Githinji, Robert Iroga, Faith Kakiiza, Angela Mitchell, Dr. Emmanuel Opoku-Awuku, Motooa Emmanuel Rammoneng, Alec Singh, and Mamadou Traore. We are also grateful to Eva O’Rielly-Jones for her assiduous secretarial and administrative assistance in ensuring that the work was completed on schedule.
List of Acronyms and Abbreviations

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<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>AAMS</td>
<td>Associated African &amp; Malagasy States</td>
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<td>ACP</td>
<td>Africa Caribbean and Pacific Group of States</td>
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<td>ADM</td>
<td>Aid Delivery Methods</td>
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<td>AFDB</td>
<td>African Development Bank</td>
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<td>AIDCO</td>
<td>EuropeAid Co-operation Office</td>
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<td>APEC</td>
<td>Asia Pacific Economic Co-operation</td>
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<td>ASEAN</td>
<td>Association of South-Eastern Asian Nations</td>
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<td>ASG</td>
<td>Assistant Secretary-General</td>
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<td>AU</td>
<td>African Union</td>
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<td>BA</td>
<td>Budgetary Aid</td>
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<td>BL</td>
<td>Budget Line</td>
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<td>CARICOM</td>
<td>Caribbean Community</td>
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<td>CARIFORUM</td>
<td>Caribbean Forum</td>
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<td>CDE</td>
<td>Centre for the Development of Enterprise</td>
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<tr>
<td>CEMAC</td>
<td>Communauté Économique et Monétaire de l’Afrique Centrale</td>
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<td>COMESA</td>
<td>Common Market for Eastern and Southern Africa</td>
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<td>COMSEC</td>
<td>Commonwealth Secretariat</td>
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<td>CSP</td>
<td>Country Support Paper</td>
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<td>CSS</td>
<td>Country Support Strategy</td>
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<tr>
<td>CTA</td>
<td>Technical Centre for Agriculture and Rural Development</td>
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<td>DCEC</td>
<td>Development Cooperation &amp; Economic Cooperation</td>
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<td>DFM</td>
<td>Development Finance Management</td>
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<td>DFMS</td>
<td>Development Finance Management Services</td>
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<td>DG DEV</td>
<td>Directorate-General Development</td>
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<td>EAC</td>
<td>East African Community</td>
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<td>EBA</td>
<td>Everything But Arms</td>
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<td>EC</td>
<td>European Commission</td>
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<td>ECF</td>
<td>Economic Community of West African States</td>
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<td>EDF</td>
<td>European Development Fund</td>
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<td>EDFIs</td>
<td>European Development Finance Institutions</td>
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<td>EEC</td>
<td>European Economic Community</td>
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<td>EFP</td>
<td>European Financing Partners</td>
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<td>EIB</td>
<td>European Investment Bank</td>
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<td>EPA</td>
<td>Economic Partnership Agreement</td>
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<td>EU</td>
<td>European Union</td>
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<td>FA</td>
<td>Financing Agreement</td>
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<td>FAO</td>
<td>Food and Agriculture Organisation</td>
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<td>FLEX</td>
<td>Support for export fluctuations losses</td>
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<td>FTAA</td>
<td>Free Trade Area of the Americas</td>
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<td>FTI</td>
<td>Education for All Fast Track Initiative</td>
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<td>GAFTAM</td>
<td>Global Fund to Fight AIDS, Tuberculosis and Malaria</td>
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<td>GATS</td>
<td>General Agreement on Trade in Services</td>
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<td>GATT</td>
<td>General Agreement on Trade and Tariffs</td>
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<td>GAVI</td>
<td>Global Alliance for Vaccines and Immunisation</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GNI</td>
<td>Gross National Income</td>
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<td>HIPC</td>
<td>Highly Indebted Poor Country</td>
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<td>HRD</td>
<td>Human Resources Development</td>
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<td>HRM</td>
<td>Human Resources Management</td>
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<td>Acronym</td>
<td>Full Form</td>
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<td>JPA</td>
<td>Joint Parliamentary Assembly</td>
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<td>MDGs</td>
<td>Millennium Development Goals</td>
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<td>NEPAD</td>
<td>New Partnership for Africa’s Development</td>
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<td>ICT</td>
<td>Information and Communications Technology</td>
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<td>ILO</td>
<td>International Labour Organisation</td>
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<td>ITU</td>
<td>International Telecommunications Union</td>
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<td>ODA</td>
<td>Official Development Assistance</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Cooperation and Development</td>
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<td>OIF</td>
<td>Organisation Internationale de la Francophonie</td>
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<tr>
<td>SMP</td>
<td>Strategic Management Plan</td>
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<tr>
<td>SRT</td>
<td>Strategy for Renewal and Transformation</td>
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<tr>
<td>UNCCD</td>
<td>United Nations Convention to Combat Desertification</td>
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<tr>
<td>UNCTAD</td>
<td>United Nations Conference on Trade and Development</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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<tr>
<td>UNESCO</td>
<td>United Nations Scientific and Cultural Organisation</td>
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<td>WIPO</td>
<td>World Intellectual Property Organisation</td>
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<td>WMO</td>
<td>World Meteorological Organisation</td>
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<td>WTO</td>
<td>World Trade Organisation</td>
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INTRODUCTION

1. Strategic planning is a crucially important aspect of the leadership and management function of any organisation. Strategic planning aims to take an organisation from where it is to where it ought to be. It is, of necessity, a future-oriented process. There is, however, often a temptation to see them as a panacea for all problems. This is, of course, far from the truth. Strategic plans provide a bird's eye-view or a 'helicopter' panorama of where an organisation is, while spelling out the priorities and policies that will drive the future towards a desirable end.

2. This Strategy for Renewal and Transformation (SRT 2011—2014) builds on the accumulated wisdom of over three decades of development cooperation with our European partners, with whom the ACP has enjoyed a privileged relationship going back to the Rome Treaty 1957. The SRT can be regarded as a successor to the Strategic Management Plan that was implemented during 2007—2009. Its focus was mainly on restructuring of the Secretariat and enhancement of our internal business processes. The current plan aims to go further by repositioning the ACP as an actor in the global arena while reinventing the Secretariat as a learning organisation and implementing agency.

3. Fundamental to all strategies are the following cardinal questions: Who are we? Where are we? What are the strengths, weaknesses and opportunities that we face both from within and from outside the organisation? Where do we want to go and how do we get there? And how would we know when we have got there? And what are the risks and the opportunities? How can the risks be mitigated while we leverage on the existing strengths and competencies? This report is divided into seven major sections: (I) the ACP Group in a Changing World; (II) the Strategic Planning Process at the ACP Secretariat; (III) Who we are and What we do; (IV) Role of the Secretariat in Development Cooperation; (V) Strategic Objectives and planned activities for implementation; (VI) Reinventing the Future; and (VII) Risks and mitigation. The SRT is anchored on 18 strategic objectives and planned activities to be implemented during the 2011—2014 period.

I. THE ACP GROUP IN A CHANGING WORLD

4. We live at a time of profound changes in world economics and international relations. An increasingly interdependent and globalised world economy has increased competitive pressures while reducing the incentives for cooperative, multilateralist solutions to global challenges. While globalisation and liberalisation of production, markets and capital has ensured increased output, there are nonetheless emerging pockets of deepening poverty between and within nations. And yet it is evident that many of the challenges we face today - from climate change to terrorism, poverty and the spread of viral epidemics - call for action on a multilateral and global scale.
Emerging development challenges

5. In the next five years, several global developmental challenges of direct import to the economic and social prospects of the ACP countries as the largest grouping of developing and least developed countries will need to be addressed. This includes, at the heart of the development debate and work programme, the final five years until the 2015 deadline for the Millennium Development Goals. Other equally important critical challenges include climate change, the resuscitation of the Doha Round, the finalisation of the Economic Partnership Agreements (EPAs) with Europe (in the case of Africa and the Pacific region), the quest for sustainable, renewable energy systems, adapting to continuing challenges of globalisation, and the harmonious integration of our national economies into the emerging global system.

6. For the ACP Group, it will be important to assess progress in these areas nationally, but also to tie in the familiar concerns of aid commitments versus disbursements that are familiar to the MDG process but also emerging in the WTO-monitored Aid for Trade (AfT) process to ensure that one work programme – MDGs spearheaded by UNDP do not detract from the other – AfT as monitored and evaluated by WTO/OECD. In addition, both the MDG processes and the AfT programmes cut across sectors and have various cross-linkages, from health to trade, education to environment, infrastructure to poverty, that provide opportunities for work by the ACP Group.

7. The strategic question in this regard for the ACP Group is how we can leverage on our privileged relationship with the EU to ensure that our development agendas get sufficient attention and commitment from the international development community. Another challenge for the ACP Group will be on determining the most effective use of aid for development, particularly as the modalities of aid evolve into new forms. The Aid for Trade agenda is one such shift, with aid targeted for trade (as a tool for development) but with difficulties in identifying what constitutes Aid for Trade. Traditional areas of development cooperation such as infrastructure development and provision of energy can constitute Aid for Trade, and the requirement to mainstream Aid for Trade becomes difficult with such ambiguities.

8. The importance of climate change as an international issue has already been felt, with related issues like ‘carbon miles’ being used as marketing tools targeting climate change-conscious consumers to discourage purchasing products originating from distant tropical destinations. It will be important for the ACP Group to monitor and participate in discussions of emerging issues in the international community at early stages to ensure that our concerns are incorporated into discussions that shape the ongoing debate. With many intergovernmental organisations based in Geneva, ranging from the UNO office in Geneva, UNCTAD, WTO, WIPO, ITU, WMO and ILO, among others, we believe that the Geneva office of the ACP can act as our presence and voice on the ongoing multilateral discourses.
9. One such initiative emerging from the United Nations Environment Programme (UNEP) that will be further developed in the next few years is the Green Economy initiative, an initiative embarked upon in the build-up to the Rio+20 Conference that will be held in 2012. The initiative looks at how environmental investments deployed across sectors in economies can act as a stimulus to an economy, and further how mainstreaming such policies through domestic policy reform can generate economic growth whilst reducing ecological scarcities and climate risks.

**Impact of the economic and financial crisis**

10. The recent global economic and financial crisis—the consequences of which are still being felt—has given rise to enormous financing needs. To remedy the situation and move towards achieving the MDGs, the affected countries, especially the low-income countries, will clearly require additional resources. We will do our part in engaging with development partners which have pledged to increase their aid with a view to achieving the MDGs, must honour their commitments by stepping up the pace of disbursements. Although Official Development Aid (ODA) is a major source of financing in ACP countries in the current economic context, all indicators show that aid has increased only marginally. This does not inspire much optimism regarding donors honouring their commitments.

11. After more than a decade of debt relief, many ACP countries have reached the completion point under the HIPC initiative. Consequently, these countries have shown a marked improvement in solvency and in the debt indicators required to maintain macroeconomic stability. The recent economic crisis has created a fiscal crisis in rich as well as low-income countries, several of them ACP member countries. Indeed, it is pushing some of our countries back into the ‘debt trap’ that we thought we had gotten out of. Rapid and uncontrolled re-indebtedness brings with it a number of risks and challenges, both for developing countries and international creditors. It is a challenge we have to work together to overcome.

12. During the coming years we will consider the possibility of reaching an agreement with the creditor countries to establish a temporary debt moratorium or debt cancellation for the poorest countries, so as to enable them implement counter-cyclical budgetary policies to mitigate the serious effects of the crisis. Linked to this is the need to swiftly implement the Vulnerability FLEX system designed to assist the eligible ACP countries to cope with the social consequences of the crisis. We would also adopt measures to facilitate access to credit for the developing countries, ensure significant capitalisation of multilateral development banks and the creation of a legal framework to facilitate the issuing of licences to various financial service providers to meet the relevant needs.

**The Millennium Development Goals**

13. The Millennium Development Goals (MDGs) are a series of development objectives which the international community has agreed to achieve by 2015, with the aim of combating poverty throughout the world, and in developing countries in particular. As such, the MDGs constitute an agenda in their own right for the international community. With the deadline for achieving the MDGs just four years away, the central questions are: What is their current implementation status? How much
progress has been achieved? What challenges still remain? What course of action should be taken to achieve the MDGs by 2015?

14. Over time, the MDGs have been incorporated into national development programmes, of which they are now an integral part. They constitute the main target towards which the international community has agreed to direct its efforts to tackle poverty and ensure global growth, with a view to achieving equitable and sustainable development. According to the MDG Progress Report 2009, after ten years of implementation, the results are rather patchy. The Report shows, nonetheless, that some progress has been achieved, especially in the areas of education and health.

15. Clearly, a renewed and sustained commitment is imperative. It would have to involve imaginative, combined use of political, technical and financial resources with dialogue with governments, civil society and non-state actors; and concerted efforts to tackle all the MDGs in a global manner. We acknowledge the ultimate responsibility of our own governments and leaderships to ensure that they pursue policies that drive constructive social change and that lift our people out of a millennial poverty.

The multilateral trading system and the ACP

16. The emergence of the WTO has altered the rules governing international trade relations. Our European partners have again and again reminded us that the era of favourable, non-reciprocal trade relations that we once enjoyed are no longer compatible with the new international trading regime. The EPAs have been offered as the option towards a WTO-compatible trading relationship. But the negotiations have not made the kind of progress everyone would have expected. Finding a way out of the current impasse is key to building a prosperous future for people and also for ensuring strong and mutually beneficial trading links with Europe.

17. The multilateral trading system governed by the rules-based system of the World Trade Organisation has been supported by the ACP Group as providing a protective framework of rules for less developed and marginalized economies. The WTO's rules-based framework provides the best chance for trade to serve as a tool to raise standards of living and alleviate poverty for ACP countries, and the current round of negotiations, the Doha Round, meant to be the development Round, will work to achieve the recognition the Marrakesh Agreement establishing the WTO that ‘positive efforts designed to ensure that developing countries, and especially the least developed among them, secure a share in the growth in international trade commensurate with the needs of their economic development.’

18. In this regard, we at the ACP Group are very concerned about the inability of the WTO memberships to conclude the Doha Round and in particular to conclude it in a manner that keeps the development focus of the Round at its core. The current impasse is affecting the ACP Group not just because its Members cannot benefit from the implementation of what has already been agreed in the negotiations, but more so because the sluggishness of the Round has encouraged WTO members to seek trade solutions outside of the WTO negotiations framework. Increased bilateral and regional trade agreements, often excluding ACP countries, not only erode preferences currently available to our countries but also divert trade and create niche markets inaccessible to ACP countries.
19. In addition, members interested in seeing results in certain areas have begun negotiating in frameworks outside the WTO to achieve results in smaller groups. This is notably so in the negotiations of the Anti-Counterfeiting Trade Agreement by a small group of States – Australia, Canada, the European Union, Japan, Korea, Mexico, Morocco, New Zealand, Singapore, Switzerland and the United States of America. As with previous experience of small-group, voluntary negotiations known as plurilaterals within the WTO, the concerns of such activities outside the Multilateral trading system is that the standards and rules set by these exclusive groups then become the norm, often not in the developmental interest of developing and least developed countries such as those of the ACP Group.

20. Given the need therefore to maintain the centrality of the WTO rules-based system in the multilateral trading system, the ACP Group will continue to work in a constructive manner towards a successful conclusion of the Doha Round. This includes through stepping up engagement with WTO Members on issues crucial to the ACP Group such as that of cotton, implementation of LDC modalities, and appropriate Special and differential treatment across the spectrum of negotiating issues for the ACP Group. Similarly, a priority is providing assistance to ACP acceding countries conclude their accession process to the WTO.

21. Clearly, doubts remain on the ability of the memberships to conclude the Doha Round soon, but 2011 is seen as the as the decisive year beyond which member countries could lose interest completely in the process. Should this political deadlock be reached, the ACP Group will have to work in the next couple of years on implementation issues that will no doubt arise from the finalisation of schedules and new rules being put in place.

22. Other developments with likely impact on the ACP Group in the multilateral trading system include the emphasis being placed on linkages of other policy areas with trade; the human rights and trade nexus is one such, climate change and trade is another. More and more, not just NGOs but also, importantly, development partners negotiating trade agreements with developing countries including the ACP countries seek to include human rights conditionalities in trade agreements. The contentious issue in the EPAs of the non-execution clause is simply one such example. The inclusion of minimum labour standards in preferential agreements such as the GSP+ is another. What this points to is the blurring of lines of what are political issues and what are trade and economic issues to be governed by bilateral/regional trade and economic agreements. The challenge for the ACP Group will be in turning these difficult issues into positive outcomes through positive rather than negative cross-linkages.

The changing European institutional architecture

23. We all realise that Europe itself is undergoing profound transformation. The collapse of the Soviet Empire as dramatically illustrated by the fall of the Berlin Wall has breathed a new lease of life to the engine of European integration. The absorption of some of the Eastern European countries into the EU and their successful transition from communism into free market democracies has been one of the remarkable developments of the New Europe. The EU today constitutes the largest economic space in the world, with a diversified and open, with a single currency that is gradually rivalling the dollar as a world currency.
24. The Lisbon Treaty came into force in December 2009. The Treaty seeks a major overhaul of the European system and far-reaching restructuring of its institutions. What has been rather worrying for ACP member countries is that the new Treaty makes no express reference to the long-standing partnership between the EU and the ACP Group. As of this moment it is still unclear whether the European Development Fund (EDF) will come under the budget and if ACP countries can continue to feel entitled to a predictable source of development assistance as has been the case hitherto.

25. The creation of the European External Action Service (EEAS) emerged in early 2011 as one of the main institutional innovations under the Lisbon Treaty. Article 18 of the Treaty provides for the establishment of the High Representative for Foreign Affairs and Security Policy and a "European External Action Service" to assist the High Representative in fulfilling her mandate. The EEAS expressly commits to some of the principles enshrined in the Cotonou Agreement, in particular, democracy, the rule of law, the universality of Human Rights and fundamental freedoms and mutual accountability for results. It is indeed salutary that the eradication of poverty is expressly mentioned as an overall objective of the EU’s external action.

**Living with uncertainty**

26. Several issues remain unclear. For example, the EEAS provisional chart does not contain a separate ACP unit and the ACP are now split across three geographical directorates, with no clear guidelines as to how to ensure coherence with regard to ACP issues. There are also some issues of concern relating to financial programming. For example: What implications will the lack of an ACP desk have for the next EDF? It is yet unclear as to who will be responsible for intra-ACP programming, although there are indications that the new EEAS will programme future financial instruments, working with the Development Commissioner.

27. The creation of separate development strategies by the EU for the three main regions of the ACP and South Africa, the EU’s neighbourhood focus with regard to Eastern Europe and North America; and its rapprochement with Latin America and the general thrust of its development policy, call for the ACP to reinforce and re-affirm its unity and solidarity.

28. It is also self-evident that some of the new member states within the EU do not share the historical ties that the older members such as France, Britain and Portugal do share with the ACP. Those of them that are at a relatively lower level of development would see themselves as being more in competition with the ACP for EU resources than as ‘partners in development’.

29. There is also the impact of the global financial meltdown and the severe toll it has taken on some of the prosperous economies in Europe. The return to debt and the burgeoning of fiscal deficits is one of the key features of Europe’s political economy. Several member states are already insisting that the Commission budget must be kept within bounds. And in a time of crisis such as the one in which we found ourselves, generosity would tend to be the first casualty. All of this means

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that we can no longer take anything for granted. Indeed, wisdom requires that we approach matters with a new sense of hard-headed realism, knowing that the future is an open book and that much depends on the collective choices we make today.

30. The period leading up to 2013 coincides with the implementation of the 10th EDF and the finalization of the negotiations for the EPAs. With the coming into being of the Lisbon Treaty, we are likely to see some structural changes in the EU, including change in development aid and external priorities. Hopefully by 2011 the ratification of the revised Cotonou Agreement would have been completed, allowing the agreement to come into legal force while discussions could commence on the 11th EDF. Before the actual expiration of the Cotonou Agreement, there is likely to be another review of the Agreement in 2015. Clearly, the ACP Group would have to decide independently on what it regards as its core interests and priorities and to demonstrate its continuing relevance to its member states and regions over the coming decades.

The EU Green Paper on Development Policy

31. The EU Green Paper on development policy was released by the Commission towards the end of 2010. The paper, titled, “EU Development Policy in Support of Inclusive Growth and Sustainable Development Increasing the Impact of EU Development Policy” is a major restatement of development policy in the context of emerging challenges, and coming at the wake of the global summit on a mid-term assessment of the MDGs. The key focus is on the following:

- How to ensure high EU impact development policy, so that every euro spent provides the best value added and value for money, the best leverage and the best legacy of opportunities for generations to come,
- How to facilitate more, and more inclusive, growth in developing countries, as a means of reducing poverty and providing a chance for all to have a decent living and a perspective for their future.
- How to promote sustainable development as a driver for progress, and
- How to achieve durable results in the area of agriculture and food security

32. The Green Paper commits to targeting sustainable and inclusive growth as the cornerstone of the Commission's development interventions. This would imply commitment actions that would address the multi-dimensional aspects of sustainable human development, from food security to health, conflict, energy and Climate Change.

33. However, there seems not to be enough conceptual clarity as to how inclusiveness and equity would be secured in practice in line with the human rights-based approach in the 2005 European Consensus on Development. It is also yet to be seen how the latter would be integrated into European development policy in general, including its Plan of Action on Gender Equality and Women's Empowerment in Development. While there is good emphasis on jobs and human rights, there is not much linkage between jobs, education and skills development. There is also little by way of the promotion of social protection and universal access of transfers to the

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poorest and most vulnerable groups. While the new thinking rightly puts the emphasis on energy and infrastructures, we do not hear much about manufacturing and how to boost the real sector. It is doubtful if most of our countries can escape from the shackles of serfdom if they continue in the path dependence of raw materials exports.3

The transformed international economic environment

34. The rise of the emerging economies and the nations generally referred to as the BRICs (Brazil, Russia, India and China and South Africa)4 has been seen by some as a new window of opportunity. The so-called “emerging economies” are changing the very structure and physiognomy of international economic relations.5 China, with its enormous surplus of capital, is becoming a major donor and source of capital flows for Africa. But China has also been criticised for concentrating on raw materials and minerals exploitation at the expense of a more holistic approach to international cooperation with the developing world. But the opportunities are indisputable. In such a rapidly changing global environment the ACP Group needs to reassess its relations with Europe while repositioning itself to benefit from the new economic renaissance that is transforming a large part of what was once regarded as “the Third World”.

35. The world has also moved away from the one-dimensional mindset that characterised what we would call “the old development thinking”, in which donors were seen as those who simply doled out the resources to passive recipients at the receiving end. Tax-payers in the donor countries are insisting on accountability for massive expenditures on the aid sector while publics and civil society groups in the developing countries are increasingly critical about how authorities sometimes divert scarce resources to private ends.6 The evolving global consensus following the 2002 UN Conference on Financing for Development at Monterrey, Mexico, and the Paris Declaration and Accra Agenda of Action impose clear obligations on recipients and donors alike in terms of managing for results, development effectiveness, accountability and forging effective development partnerships.7 All these developments require that the ACP Secretariat drastically improves on its act and reposition itself for greater effectiveness, with a clear focus on partnership, accountability and mutually shared obligations.

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3 The UNIDO 2009 Industrial Development Report underlines the high potential for growth in the manufacturing sector in many developing countries; growth that is capable of having a demonstrably positive impact on employment and poverty reduction. The Report reveals the transformative potential of industrial development on low-income countries previously outside the expanding web of production and trade linkages brought about by globalization. Cf. UNDP, United Nations Brussels Team Response to the EU Green Paper on Development Policy, Brussels, January, 2011.

4 South Africa will be joining the BRICs as its newest member during the April Summit in Beijing in 2011.


6 Dambisa Moyo, Dead Aid: Why Aid is Not Working and How There is Another Way for Africa, Allen Lane, 2009.

7 The United Nations Department for Economic and Social Affairs, Monterrey Consensus of the International Conference on Financing for Development, Being the Final Text of Agreements and Commitments Adopted at the International Conference on Financing for Development, Monterrey, Mexico, 18—22 March, 2002.
36. Changes in international economic relations, including global re-alignments and major shifts in EU policy orientations, and, most importantly, the Lisbon Treaty, have given rise to concerns of possible downgrading of the importance of the ACP-EU Partnership. The ACP-EU Partnership expires in 2020, and it will serve the Group well if, at this early stage, possible scenarios for its post-2020 existence could be developed.

37. The Georgetown Agreement was amended during 2003, but the question remains whether the constituent framework of the Group is still valid, relevant and designed for an international Group with a membership of 79 countries in the 21st century. An examination of the organizational and institutional structures of the ACP Group are needed to ensure that the Group’s orientation and alignment continue to remain relevant for its member states, regions and the international community.

38. At all Summits of ACP Heads of State and Government, there has been a reaffirmation of the need to achieve an enhanced role for the ACP Group on the international scene. To date, the success of the Group on the international scene is limited in scope and focus, and its external relations are predominantly focused towards the EU. To this end, the Group is perceived to be one-dimensional and vertical in its global relations.

II. THE STRATEGIC PLANNING PROCESS AT THE ACP SECRETARIAT

39. During late 2005, the Secretariat embarked on a comprehensive strategic institutional reform programme to better position it to successfully meet the challenges of a rapidly changing world. The overall objective of the programme was to improve the effectiveness of the ACP Secretariat in executing its double mandate: (1) its institutional mandate, i.e. to serve the Organs of the ACP Group of States, the ACP-EU Joint Institutions and the ACP Member States, and (2) its role of implementing institution of some important “all ACP” projects funded under the intra-ACP resources.

40. The underlying principle is the strengthening of results-oriented performance management in the Secretariat, pervading all subsequent phases of integrated programme cycle management (PCM). The first key result area was focused on the strengthening the planning capacities of the Secretariat, in accordance with the basic principle of performance management.

41. The reforms aimed to reposition the Secretariat in the years to become an effective provider of quality services to its main institutional stakeholders and clients. For that purpose a top-down planning approach was deemed necessary in the following sequential process: multi-annual (3 year) strategic management plan as the basis for the annual overall work plans of the Secretariat being a consolidation of the Departmental annual work plans. A participatory process of consultations and plan development exercises was pursued to ensure due ownership of its contents, and thus to guarantee effective and sustained use during the three years period 2007-2009 covered by the plan.8


42. The current strategy, which is based on the twin pillars of Renewal and Transformation, builds upon the SMP 2007 — 2009 which was based on an elaborate participatory process. The internal participatory processes included the installation of a Planning, Programming and Monitoring (PPM) Working Group, workshops, discussion forums and individual consultations. A Strengths, Weaknesses, Opportunities and Threats (SWOT) questionnaire was designed and administered to various sub-groups representing a cross-section of the whole Secretariat. The outcome of this comprehensive internal and external exercise provided a solid basis for plan development and priorities setting.

43. The SMP 2007—2009 undertook an institutional mapping of the key sectoral and thematic services anchored on three main strategy clusters, namely: (I) human development, culture and political affairs, (ii) economic development and trade, and; (iii) macroeconomics, finance and budgetary support. The focus was on how to enhance organisational performance within these three thematic areas. An issue of high importance was the broadening of the executive powers of the ACP Secretariat for which a number of priority initiatives and actions were discussed. Also the theme of good governance and transparency got particular attention. A new organisational chart was designed while some attention was given to strengthening internal communications, both vertically and horizontally. Human resources development has been an issue of strategic concern, with several initiatives explored for the rejuvenation of the Secretariat.

44. Information management was identified as a key factor in enhancing organisational effectiveness and was underlined as part of the broader framework for the Information and Communications Technology (ICT) strategy during the three year plan period. Linked to this was the issue of strengthening the Secretariat’s visibility through media and public relations activities. The SMP also gave special consideration to the question of resource mobilization covering the three main financing sources: (i) the European Development Fund; (ii) contributions from ACP Member States, and (iii) a rest category of any other sources. Furthermore, a series of concrete initiatives to further strengthen financial management in the Secretariat were compiled under the Secretariat resources mobilization and financial management strategy.

45. The operationalisation of SMP 2007—2009 was anchored on development of the work plans of the four Departments and the two Offices (General Secretariat and Geneva Office), integrated in one consolidated corporate work plan and roadmap for the whole Secretariat. These Departmental work plans contained both annual target setting for the calendar year concerned and strategic target setting for the entire three year period covered by the Strategic Management Plan. These organisational work plans at Department level have in turn been the basis for the development of the individual work plans.

46. An evaluation of SMP 2007—2009 is yet to be fully undertaken. But it seems clear that there are areas in which it has had some success while there are several in which it has fallen short of expectations. In the areas of ICT and financial management, for example, there have been significant improvements in the deployment of technology and process systems, all of which have led to better organisational performance. However, it is clear that the Secretariat remains weak in sectors such as resource mobilisation, knowledge capital, results-based
management and enhanced visibility. With the benefit of hindsight, it seems clear to us that the 2007—2009 Plan took too much for granted in terms of the implications of the changing global environment. It also did not put in place a robust enough mechanism for monitoring, risk management and continuous improvement.

Decisions 1 and 8

47. As part of the efforts to rejuvenate the ACP, an Ambassadorial Working Group was set up in April 2008 under the chairmanship of Burkina Faso. The recommendations of this Working Group included: the review of the Georgetown Agreement, revision of the Headquaters Agreement with the Kingdom of Belgium and revision of the Staff Regulations of the Secretariat with a view of ensuring, inter alia, more effective legal protection of the interests of the ACP Group.

48. As part of the changes that were being implemented, oversight of the 2007-2009 Strategic Management Plan and the reforms of the ACP Secretariat were vested in the Sub-committee on Establishment and Finance. The scope of deliverables encompassed the review of financial regulations, human resources policies, working conditions and the staff regulations.

49. It was also recognised that, in view of the Lisbon Treaty and the changing European institutional architecture, it would be necessary to set up a Working Group on the Future Perspectives of the ACP Group. With the fundamental changes to the ACP Group’s external relations and a global re-alignment vis-à-vis the expiration of the Cotonou Agreement in 2020, the imminent short term and medium-term challenges to the ACP Group have been identified as follows:

a) The ACP Group should, in anticipation of the possible budgetisation of the EDF after 2013, reflect on the likely implications for development programming and the magnitude and quality of ODA resources that would be available;

b) Harmonising EU trade policy with WTO rules on preferential trade arrangements by adjusting trade agreements and commodity protocols accordingly, which also demands that at least 90% of trade be free;

c) The new form of partnership of independent Economic Partnership Agreements with separate regions.

50. Going forward, what is essential is that we take on board the lessons of past strategic planning efforts and build on the achievements of what has been accomplished so far. For example, the work plan processes which were developed during the SMP are still relevant for the new SRT and must be retained under the new strategic plan.

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9 In April 2008 the Committee of Ambassadors recommended the setting up of a special Ambassadorial Working Group on the implementation of Council Decisions No.1/LXXXVI/07 on the ACP Secretariat’s Strategic Management Plan, and No.8/LXXXVI/07 on the future of the ACP Group of States. The 86th session of the ACP Council of Ministers approved the establishment of the Working Group.

51. From the foregoing, it is clear that the SRT 2011—2014 is being launched against the backdrop of a marked slowdown in EU-ACP cooperation and a challenging international economic and geopolitical environment. Indeed, in December 2010, a report from the European Centre for Development Policy Management (ECDPM) lamented that relations between the European Union and its ACP partners “are in a parlous state”, noting that “no real movement is evident from past years, and it is hard to discern signs for optimism in the year ahead”.

52. During September 2010 the Secretary-General announced the establishment of a committee headed by the Chef de Cabinet to draft a new strategic plan for the ACP Secretariat. He explained that the 2007—2009 Strategic Management Plan (SMP) came to an end in 2009, which culminated, in essence, with the tenure of the previous Management. The Secretary-General declared 2010 to be a transition year, providing an opportunity for the new Management to take stock of where we are and how to better reposition the Secretariat for the challenges ahead. He directed that the new Strategic Plan should cover the years 2011 to 2014 ahead. The team was urged to think outside the box and to come up with new ideas that will help reinvigorate the ACP as an institution while giving it greater visibility in the international arena. During the November 2010 meeting of the Council of Ministers in Brussels the key elements of the New Strategic Plan were considered approved by Council, giving a go-ahead for its finalisation and immediate implementation.

53. The current Strategic Plan has been the product of a participatory process involving internal as well external consultations with key stakeholders. The Committee that worked on the Report was drawn from all the Departments of the Secretariat and involved the all cross-sections of the organisation. The Committee of Ambassadors also scrutinised the document and proffered their suggestions for its improvement.

54. The 2011—2014 Strategic Plan is anchored on the theme of “Renewal and Transformation”. This aims to capture the commitment of the current leadership of the ACP Secretariat towards the institutional renewal of the organisation and commitment to the agenda of poverty reduction and the economic, social and political transformation of our 79 member countries. We would want the mandate of the Management to be anchored on the twin objectives of internal renewal with a view to impacting positively in terms of the social transformation in the life chances of the 930 million people of the ACP community of states.

55. “Renewal and Transformation” entails re-visiting our core Mandate, Mission, Vision and Values. It also requires building on our accumulated competencies and acquis to reposition and reinvent the Secretariat as a knowledge institution that does more than the role of mere convener of conferences and meetings. We have the potential to serve as an executing agency that can leverage on its core competencies and institutional knowledge capital to provide technical services to its regional member countries.

56. We also aim to renew the human resources profile of the institution and upscale the skills level while restructuring the organisation to meet the requirements of a forward-looking multilateral institution. The key elements of the new strategic initiatives for the renewal of the Secretariat focus on the review of the Mandate,

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Vision and Mission; restructuring of the Secretariat and reform of human and organisational processes; repositioning of the Secretariat as a knowledge institution; implementation of culture change; improved IT and technology systems; enhancing the executive role of the Secretariat; developing alternative sources of financing; expanding partnerships; and establishment of an ACP international finance and investment vehicle (ACP Investment Bank) to mobilise additional financial resources for investment in the ACP countries.

III. WHO WE ARE AND WHAT WE DO

57. The ACP Group embraces 79 member countries from Africa, the Caribbean and the islands of the Pacific. We have a General Secretariat in Brussels and operate an elaborate network of institutions and stakeholders (see Diagram 1). This grouping is a product of history dating back to the Rome Treaty 1957 when the former French African colonial dependencies were brought into Association status with the European Common Market. The membership was later expanded in 1973 when Britain acceded to the Common, bringing with it her former erstwhile colonial dependencies that were now members of the British Commonwealth of Nations. With the further expansion of the European Economic Community that brought Spain and Portugal into the European system, the former Portuguese and Spanish colonies in Africa and the Caribbean also became members of the ACP Group of countries.

58. The ACP Group emerged largely as an association of countries that share particular historical ties with the former European colonial powers and that are bound to Europe by ties of history, economics and trade arrangements. But the ACP does not define itself solely in its relationship with Europe. Indeed, the Georgetown Agreement of 1975 sought to establish the ACP as an intergovernmental body bound together by a shared sense of South-South solidarity and commitment to the pursuit of equity in world economics and international trade and in the use of dialogue as the primary instrument of international cooperation.

59. The ACP is the largest trans-regional intergovernmental organisation of developing countries in the international system. There is potential to build on this numeric strength to promote the collective cause of some of the poorest countries in the world, with opportunity to establish crucial alliances not only with Europe but with some of the emerging global players in the world economy.

60. The collective strength of the ACP Group derives from decades of inter-regional solidarity, international trade negotiations, development finance cooperation political dialogue and relations with other international organisations. At the various levels these relations need to be nourished to allow for greater intra-ACP cooperation and coordination, and a more cohesive, proactive and vibrant Group.

61. Indeed, the call for solidarity, greater visibility, relations with other international groups, streamlining of the core business of the ACP and empowering its Secretariat has been a constant theme of all of the Summits of ACP Heads of State and Government since the last two decades.
62. The call for action to justify the ACP’s relevance today is also an urgent reminder that the global context in which we have operated hitherto has been radically transformed. At the same time, it is a call to reaffirm our solidarity and the inherent dynamism and durability of the ACP ‘family of nations.

63. The ACP Group in its various guises has existed for more than 30 years without having lost a single member. Since 1975, its membership has nearly doubled to its current 79 developing countries. Indeed, of recent, some prospective members have indicated interest in applying for accession to the Georgetown Agreement, among them Timor-Leste and Libya. With the results of the 2011 referendum, it seems likely that South Sudan will apply to become one of the new members of the ACP family.
Diagram 1: ACP Stakeholders
64. The ACP-EU Cotonou Partnership Agreement linking the 79 ACP countries with the 27 EU member States constitutes the largest North-South grouping in the world. It is unique also inasmuch as:

   a) Formal contractual recognition is given to it under the ACP-EU Cotonou Partnership Agreement;
   b) It has its own Secretariat, structure and supporting organs;
   c) It has de facto status as an intergovernmental (and therefore quasi-international) organisation;
   d) It has a wide geographical base, and;
   e) Has, as Members, the overwhelming number of Least Developed Countries (LDCs), land-locked and small island states which in the present global context lends it a moral and persuasive power.

65. ACP-EU relations lay heavy emphasis on “Partnership” and this partnership has evolved right up to the signing of the Cotonou Partnership Agreement in 2000 and its subsequent revisions in February 2005 and 2008. As partners in this venture, the initiatives for better achieving the stated goal of the ACP Group vis-à-vis poverty alleviation, should ideally emanate from both sides of the partnership and should keep the Millennium Development Goals in the forefront of the relationship. It therefore is imperative that the improvement of the core business performance of the ACP Group and its regions and members takes centre stage in any strategic plan of the Group and its Secretariat.

66. The Cotonou Agreement has brought in its wake a strengthened political role to the ACP Group and an engagement amongst its members to undertake political actions to reinforce their international duties regarding the respect for human rights, to apply democratic principles, and to ensure good governance and transparency. This forms part of the undertaking to regularly engage in “deep political dialogue” in line with Articles 8 and 9 of the Cotonou Agreement.

67. Furthermore, at the trade level, the EU is negotiating Economic Partnership Agreements with the six different regions of the ACP Group with a view to synchronising and harmonising trading arrangements compatible with the World Trade Organisation’s provisions on non-preferential trade and to achieve viable region-region agreements. Thus, for the first time ever, the Commission is preparing to make direct, binding agreements with segments of the ACP which may have implications for the cohesion of the ACP Group.

68. The founding document of the ACP Group is the Georgetown Agreement 1975, which defines the membership, institutions and functions of the ACP Group. The heart of the ACP Group’s activities lies in the operation of the Secretariat and the Committee of Ambassadors and their interface in the day-to-day operation of the ACP Group and its negotiation with the European Commission in its various forms. Any strategic plan worth its name has therefore to incorporate some elements of capacity building for the Secretariat in order to strengthen its ability to confront the challenges which the evolving ideas and proposals for initiatives, broadened activities, improved performance in core business and bringing about heightened solidarity predicate.
69. This fundamental observation and recommendation is further supported by the basic fact that the Cotonou ACP-EU Partnership Agreement endures until 2020 although during the negotiations, the option of making it a permanent agreement was not accepted by the Council of Ministers making the five-yearly updates dependent on performance assessments of partners and programmes.

The Principal Organs

70. The Georgetown Agreement establishes the Summit of Heads of State and Government as the highest political authority of the ACP Group. The Summit has met six times, the last being the Summit held in Accra, Ghana, in 2008. In practical terms, the Council of ACP Ministers is the main decision-making bodies of the ACP Group.Working under the Summit of the Heads of State, the Council defines the broad outlines of the work to be undertaken for the attainment of the objectives of the Group. It consists of a member of the Government of each of the ACP States or its designated representative. It meets twice a year in regular session and has established a number of Ministerial Committees and Consultations, dealing with specific subjects, i.e., Development Finance Cooperation, Trade, Bananas etc. (Diagram 2).

71. The Bureau of the Council of Ministers co-ordinates the work of the Council. The members of the Bureau are appointed by the Council at the end of each ordinary session. It has nine members: the President of the Council, designated on the basis of rotation among the six regions, the out-going President and the in-coming President (“Troika” principle) in an ex-officio capacity, and one member each of the six regions (4 Africa, 1 Caribbean and 1 Pacific).

72. The Georgetown Agreement also establishes the Committee of Ambassadors as one of the main decision-making bodies of the ACP Group. The Agreement specifies that the Committee of Ambassadors “shall assist the Council of Ministers in the performance of its functions and shall carry out any mandate entrusted to it by the latter.” It is particularly foreseen that the Committee of Ambassadors shall monitor the implementation of the ACP-EU Partnership Agreement with a view to achieving the objectives set out herein. The Committee of Ambassadors meets, on average, twice a month.

73. It operates within the framework of 6 Sub-Committees, namely: Establishment and Finance; Sustainable Development; Trade and Commodity Protocols; Political, Social, Humanitarian and Cultural Affairs; Investment and Private Sector; and, Development Finance. They meet on average twice a month. Also a number of working groups have been established under the Committee of Ambassadors on cotton, sugar, bananas, rum, tuna, micro-finance, natural disasters, etc. The Sub-Committees of the Ambassadors are the first and main counterparts within the ACP group of the experts and managers of the Secretariat for policy and strategy preparations and for Intra-ACP financial programming.

74. The Bureau of the Committee of Ambassadors comprises nine members, modelled after the composition of the Bureau of the Council of Ministers. Article 21 of the Georgetown Agreement foresees that the “... acts of the Committee of Ambassadors shall be in the form of a decision, resolution or recommendation and shall be adopted on the basis of consensus of its members.”
The Joint Institutions

75. The Georgetown Agreement also provides that the ACP members of the ACP-EU Joint Parliamentary Assembly (JPA) act as an advisory body to the ACP Group. They meet twice a year. The Meeting of ACP members of the Joint Parliamentary Assembly is the organisation of ACP parliamentarians who are members of the ACP-EU Joint Parliamentary Assembly. The decision to create a Parliamentary Assembly (Article 5 of the Georgetown Agreement) has been seen as a step towards bringing political decision-making further into the body of the ACP Group as the Partnership Agreement envisages.

76. Under Article 13 of the Cotonou Agreement, the joint institutions of the Agreement are identified as: (I) the Council of Ministers, (ii) the Committee of Ambassadors, and (iii) the Joint Parliamentary Assembly

77. The Cotonou Agreement establishes the ACP-EU Council of Ministers as the principal decision-making body of the ACP-EU Partnership. It meets once a year. The Joint Council comprises on the one hand the members of the Council of the European Union and Members of the Commission of the European Communities and, on the other, a member of the government of each ACP State. The office of the President is held alternatively by a member of the Council of the European Union and a member of the government of an ACP State.

78. The Council of Ministers may delegate powers to the ACP-EU Committee of Ambassadors, created by the Cotonou Agreement to “assist the Council of Ministers in the fulfilment of its tasks and carry out any mandate entrusted to it by the Council”. It usually meets once a year. The Committee of Ambassadors comprises on the one hand the permanent representative of each Member State to the European Union and a representative of the Commission and, on the other, the head of mission of each ACP State to the European Union. The Office of Chairman of the Committee of Ambassadors is held alternately by a Permanent Representative of a Member State designated by the Community and a head of mission representing an ACP State, designated by the ACP States.

79. The Agreement also creates the ACP-EC Development Finance Cooperation Committee and the Joint ACP-EC Ministerial Trade Committee. They usually meet twice a year and report to the Joint Council of Ministers. Both report to the ACP-EU Council of Ministers.

80. The ACP-EU Joint Parliamentary Assembly acts as a consultative body, under the Cotonou Agreement. It is composed of an equal number of EU (all members of the European Parliament) and ACP Parliamentarians (members of national ACP Parliaments or failing this, representatives designated by the parliament of each ACP state). In accordance with the three pillars of the Cotonou agreement, the JPA has three Standing (Permanent) Committees: (I) on political affairs, (ii) on economic development, finance and trade, and (iii) on social affairs and the environment. At present, it has two (ad hoc) working groups, one on Economic Partnership Agreements (EPAs) and one on Conflicts.
Diagram 2: Workings of the ACP Principal Organs and Secretariat
81. The ACP Secretariat acts, for these joint organs as co-Secretariat, liaising between the two sides and participating in the preparation of joint technical documents and draft proposals.

82. The Centre for the Development of the Enterprise (CDE) and the Technical Centre for Agricultural and Rural Cooperation (CTA) are fully established and operational joint institutions with (regional and national) outreach structures, sectoral mandate and expertise, and directly reporting to the ACP-EU Committee of Ambassadors. A large part of their financial resources are derived from the European Development Fund and special EC programmes (see Boxes 1 & 2).

Non-State Actors

83. The Cotonou Agreement identifies two main clusters of actors of cooperation: (a) State (local, national and regional). The agreement clearly recognizes the distinct role of local governments as new actors in development and cooperation processes; and (b) Non-State. In practice, it means that participation is open to all kinds of actors, such as the private sector, community-based organisations, women’s groups, human rights associations, Non-Governmental Organisations (NGOs), religious organisations, farmers’ cooperatives, trade unions, universities and research institutes, the media, etc. Also included in this definition are informal groups such as grassroots organisations, informal private sector associations, etc.

84. In general, recognition as NSA’s is made dependent on “the extent to which they address the needs of the population, on their specific competencies and whether they are organised and managed democratically and transparently”.

85. Usually the private sector is considered only under the umbrella cluster of “Non-State Actors” in so far as it is involved in non-profit activities (e.g. private sector associations and chambers of commerce). The reason for this is that the Cotonou Agreement has developed a set of specific instruments for supporting ACP private sector actors involved in profit-oriented activities (e.g. the Investment Facility managed by the European Investment Bank, or the Centre for the Development of Enterprise).

86. The Cotonou Agreement explicitly foresees a major role for civil society organisations in all spheres of cooperation, and to that effect their capacities need to be strengthened. Article 7 entitled “Capacity Building” is very explicit to that effect: “The contribution of civil society to development can be enhanced by strengthening community organisations and non-profit non-governmental organisations in all spheres of cooperation.12

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11 Article 4 Chapter 2 of Cotonou provides that local decentralised authorities are at the same level as NSAs.
12 In its commitment to strengthening the role of Non-State Actors in policy dialogue and as development partners under the Cotonou Agreement, the ACP Secretariat has embarked on a number of substantive initiatives, including the compilation with the European Centre for Development Policy Management (ECDPM) of a User’s Guide for Non-State Actors on the Cotonou Agreement, the organisation and hosting of a second Civil Society Forum on 19-21 April 2006, the facilitation of the establishment of a Civil Society Forum, with a Forum Coordinator and six Regional Coordinators, amongst others.
Box 1: Centre for Development of Enterprise

Objectives of CDE

With an annual budget of about €20 million, the CDE is an ACP-EU joint institution created in the framework of the Cotonou Agreement. Its financial resources mainly come from EDF. The Centre oversees ProInvest, a Project Management Unit (PMU), which has €110 million to support investment promotion activities in the ACP countries. CDE’s mandate is to ensure the development of professional ACP enterprises operating in the private sector. The organisation operates in close collaboration with the European Commission, the Secretariat of the ACP Group of States and the European Investment Bank in the framework of support to the private sector. The mandate given in the Cotonou Agreement positions the Centre as an Institution dedicated to supporting private sector development in ACP countries. With headquarters in Brussels and a network of regional offices in, CDE also provides non-financial services to ACP companies and to joint initiatives of ACP and EU economic operators in various economic sectors, with the main aim to increase competitiveness of ACP enterprises.

Among the objectives of CDE are: facilitation of ACP-EU business partnerships; development of enterprise support services in ACP (capacity building with private sector organisations and service providers); assisting investment promotion activities and organisations; and promotion of technology transfer and management skills.

Operational Approach

To achieve these objectives provide direct assistance to SMEs, mainly in the framework of sector programmes that are essential for the economies of the ACP countries, but also for individual projects. Among the crosscutting thematic areas of focus are: assistance to infrastructure maintenance, support for optimal energy management and assistance to the ICT sector. CDE also provides support for capacity building of intermediary organisations, particularly with regard to training and information. The organisation also provides funding support for financial institutions, particularly with regard to pre- and post-investment activities in the context of financing SMEs, as well as training SME project appraisers in the financial institutions. It also provides assistance for ACP consultants as regards training and information, as well as facilitating partnerships with their EU counterparts. CDE’s contribution is decided after a review of the application by a project committee. Eligibility criteria are as follows:

- Private sector SMEs legally established in an ACP country
- Net assets of at least €80,000 and/or a turnover of €250,000
- Maximum net assets of €10 million
- At least five employees
- Commitment to contribute at least one-third of the expenditures eligible for assistance
- Compliance with international codes of good conduct (working conditions and environmental impact)

Source: Centre for Development of Enterprise, Brussels, 2010.
Box 2: The Technical Centre for Agricultural and Rural Cooperation (CTA)

Overview

The Technical Centre for Agricultural and Rural Cooperation (CTA) was established in 1983 as a joint ACP-EU institution. With an annual funding of about €16 million from the EU, its role is to develop and provide services that improve access to information for agricultural and rural development, and to strengthen the capacity of ACP countries to produce, acquire, exchange, and utilise information in this area. The organisation has its headquarters in Wageningen, Netherlands, but also has an operational office in Brussels.

Role and activities

CTA’s programs are designed to provide a wide range of information products and services while incorporating new developments in methodologies and cross-cutting issues such as ICT, gender and social capital. Its role includes the following:

- Providing information products and services (e.g., publications, question-and-answer services and database services)
- Promoting the integrated use of communication channels, old and new, to improve the flow of information (e.g., e-communities, web portals, seminars, and study visits)
- Building ACP capacity in information and communication management, mainly through training and partnerships with ACP bodies

At the core of all activities are partnerships with ACP national and regional bodies. It also works with a wide network of ACP-EU public and private sector institutions as well as international organisations around the world. Its overall aim is to better serve the ever-changing information needs of all stakeholders in ACP agricultural and rural development. Working with its various partners and networks, it aims to achieve the goal shared by the whole development community, that of poverty alleviation and sustainable development. The organisation has recently developed an Agricultural Trade Programme which aims to strengthen capacity in international agricultural trade negotiations, including WTO, EPAs and Aid for Trade while promoting product diversification, adding value to products and market differentiation, with focus on quality labels and geographical indications (GIs), including market access and food safety issues (SPS).

The CTA recently launched its new strategy for 2011–15 which aims to refocus the organisation to tackle the critical issues facing ACP agriculture, and to marshal its efforts through knowledge-sharing, networking and capacity-building use of ICT, biotechnology, research and innovation. Special consideration will be given to strengthening food security within the framework of Regional Economic Communities.

Source: The Technical Centre for Agricultural and Rural Cooperation (CTA), Wageningen, The Netherlands, January 2011.
IV. ROLE OF THE ACP SECRETARIAT IN DEVELOPMENT COOPERATION

87. The ACP Secretariat is based in Brussels and is headed by an Executive Secretary-General who is elected on a rotational basis from each of the six regions of the Group for a five-year term. He is assisted by four Assistant Secretaries-General and the Chef de Cabinet, who together, constitute the Cabinet. The organisation has a total of 100 professional and support staff and structured on the basis of four Departments and the Cabinet Office, namely (1) Sustainable Economic Development and Trade, (2) Macroeconomics, Development Finance and Inter-ACP Programming, (3) Political Affairs and Human Development, (4) Administration, Finance and Human Resources, and (5) the Cabinet Office. We also have an Office in Geneva which represents us in international meetings relating to trade, WTO and other international development topics.

Our Mandate

88. The Secretariat’s foremost tasks are related to servicing the different Organs of the ACP Group as laid down in the Georgetown Agreement as amended on 28 November 2003 and the ACP-EU Joint Institutions as provided for in the ACP-EU Partnership Agreement signed in Cotonou on 23 June 2000. We could say that these are our “primary clientele”. However, we also work with external stakeholders such as international organisations, regional economic communities and non-state actors.13

Under Chapter III Article 23 it is stated in this regard under Paragraph 3: “The Secretariat of the ACP Group shall: (a) carry out all tasks as may be assigned to it by the Summit of Heads of State and Government, the Council of Ministers, the Committee of Ambassadors and the ACP Parliamentary Assembly; (b) Contribute to the implementation of the decisions of these Organs; (c) Monitor the implementation of the ACP-EC Partnership Agreement; and (d) Service the Organs of the ACP Group and, as appropriate, the joint institutions established under the ACP-EC Partnership Agreement.”

Vision and Mission

89. The SMP 2007—2009 did not give a particularly concise Mission Statement for the Secretariat. The Plan simply stated that the Secretariat is committed to “pursuit of sustained delivery of high quality services in a timely, efficient and effective manner”. It also expressly committed the Secretariat to support to the best of its ability the ACP Member States in their concerted efforts to reduce and eventually eradicate poverty and to enhance the overall welfare and well-being of their citizens in a self-reliant manner, consistent with the objectives of sustainable development and the gradual integration of the ACP countries into the world economy in the spirit of the Cotonou Agreement.

13 Our mandate as a Secretariat is laid down in the final text of the Georgetown Agreement as amended by Decision No. 1/LXXVIII/03 of the 78th Session of the ACP Council of Ministers, entered into force from the date of its adoption by the Council on the 28th of November 2003.
Box 3: ACP Secretariat Vision and Mission Statement

Our Vision:
“To be the leading international institution driving North-South cooperation for sustainable development”.

Our Mission:
“To accelerate the economic and social development of the ACP Countries through development partnerships, resource mobilisation, negotiating better terms of trade and integration into the world economy in a manner that promotes shared growth and enhanced welfare”.

Our Seven Cardinal Values:
- Solidarity
- Excellence
- Professionalism
- Integrity
- Team work
- Transparency
- Effectiveness
90. In building upon the accumulated wisdom of decades of development cooperation, the Secretariat, within the framework of the 2011—2014 Strategic Plan will aim to deepen and sharpen the focus of our Vision, Mission and Core Values (see Box 3). In terms of our refocused **Vision**, we would aim “To be the leading international institution driving North-South cooperation for sustainable development”. Our refocused **Mission** is: “To accelerate the economic and social development of the ACP Countries through development partnerships, resource mobilisation, negotiating better terms of trade and integration into the world economy in a manner that promotes shared growth and enhanced welfare”. The following seven **Cardinal Values** emanating from our own internal consultations and dialogue with stakeholders have been identified: **Excellence; Solidarity; Excellence, Professionalism; Integrity; Teamwork; Transparency; and Effectiveness.**

91. While the Secretariat services our Member States as a bloc, it at the same time recognizes the intrinsic diversities of the individual states and their specific regional characteristics, seeing these as challenges for tailor-made services in a rapidly changing world marked by globalization. It recognizes the crucial role of the non-state actors as partners in these endeavours. In the spirit of the Cotonou Agreement, we see the European Commission as a privileged partner because of the substantive joint initiatives and programmes facilitated through the European Development Fund (EDF), more particularly through the Intra-ACP cooperation resources.

92. The Secretariat has faced a number of daunting challenges over the last couple of years. Working within a rather stringent budget, it has not been able to attract the quality of staff and expertise that it needs to fulfil some of its key mandates. There has also been the general impression that its principal raison d’être is largely to service the meetings of the principal Organs, a preoccupation which takes most of the energies and time of its staff. Efforts have been made in the past to reform the institution and to reposition it as a forward-looking development institution since October 2005. One of the areas of focus has been on strengthening the Planning, Monitoring and Reporting capacities of the Secretariat. This was a factor in the successful implementation of the SMP 2007—2009.

93. Efforts at reforms have also focus on developing a Comprehensive Human Resources Policy. A new Organigram was designed and was approved by Council in 2007. However, it is to be noted that there are still major functional overlaps within the Departments, requiring a closer look with a view to streamlining and rationalising such overlaps.

94. An ongoing project has been the human resource issue of job descriptions/classification. Linked to this is the revision of the Salary Structure in line with what obtains with our Comparators in the UN and other agencies. A Task Force would also have to be put in place to revise Staff Regulations for greater coherence while avoiding risk of legal liability. We aim to put in place staff regulations and conditions of service that are similar to those of international organisations and subject to ILO labour and disciplinary conditions, including adjudication. This review will also attempt to align the Regulations with international standards and practice. Additionally, the Secretariat will engage a lawyer who is well-versed in international employment law to critically assess the
revised Regulations, local conditions of service and work, staff contracts and internal remedies for grievance, discipline and termination of staff contracts to ensure they comply with international standards and practice.

95. The Secretariat has also engaged short-term consultants on the preparation of a Human Resources Competency Model and a Performance Management System. Plans are also underway to recruit consultants to work on the revision of the Pension Scheme; development and installation of an IT software for recruitment; development of Human Resources Database.

Operating principles

96. The key operational principles for us are: solidarity, supranationality and subsidiarity. The sentiment of solidarity is inspired by a common historical experience and a common heritage rooted in the commitment to the pursuit of a just and more equitable international economic system. The idea of supranationality entails working together at a trans-regional level on key development challenges such as trade, development finance, sustainable development and good governance. Under the principle of subsidiarity, the ACP Group believe that issues that could best be tackled by local authorities are best left to them while issues that regional economic communities are best able to handle should also be devolved to them. The Group has to focus on those key issues on which it can bring to bear its collective bargaining power, its shared experience and accumulated moral capital as well as comparative advantage. During 2011—2014 and beyond, the Secretariat will continue to uphold these general principles and fundamental values of the ACP Group of States, drawing strength from the common history of the Member States, our rich and diverse cultures, and our shared vision of the future.

97. Among our core values are unity and solidarity in facing the challenges of a world defined by ever-increasing interdependence, and rapid and constant evolution; Commitment to global peace, security and stability. Linked to this is the determination to combat racism, racial discrimination, xenophobia and all forms of intolerance, as well as to promote mutual understanding among peoples, cultural diversity and gender equality. There is the commitment to centre development strategies on the fight against poverty and reaffirmation of the commitments made in the Millennium Declaration to reduce by half the world's poor by 2015. We are also committed to strengthening democracy, the rule of law, human rights, and good governance, including anti-corruption measures.

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14 The legal and political basis of the key principles on which the work of the ACP is derive from a number of legal texts and Declarations. Notable among them are: the Libreville Declaration, adopted by the First Summit of ACP Heads of State and Government; Libreville, Gabon; 6 & 7 November 1997; the Santo Domingo Declaration and Plan of Action, adopted by the Second Summit of ACP Heads of State and Government; Santo Domingo, Dominican Republic; 16-17 April 1999; the Nadi Declaration “ACP Solidarity in a Globalised World”, adopted by the Third Summit of ACP Heads of State and Government; Nadi, Fiji Islands; 18 & 19 July 2002; the Maputo Declaration “Together Shaping Our Future”, adopted by the Fourth Summit of ACP Heads of State and Government; Maputo, Mozambique; 23 & 24 June 2004; and, of course, the ACP-EU Partnership Agreement, signed in Cotonou (Cotonou Agreement) on 23 June 2000 as amended in 2005 and 2010.
98. In the spirit of the 2009 Copenhagen Climate Summit, we hold a commitment to ensuring balanced and harmonious development that promotes preservation of the environment and sustainable natural resources management and promotion of good environmental governance.

99. Central to all our efforts is the fight against poverty and commitment to the goal of sustainable development, which cannot be attained without the full participation of women at all levels of decision-making within a framework of inclusive, participatory development.

100. We also believe that development must centre on the human person and that people are the most important and the most precious resource for development. We are therefore committed to the development of human capital and the goal of literacy and universal primary education for every child. We are committed to the values of good governance, democracy and human rights in the context of mutual accountability between donors and recipients.

101. While the role of government is central, we believe that the private sector ought to be the engine for promoting inclusive growth. Non-state actors also have an important role to play in the development process and in the public space that promotes democratic culture. We recognise the centrality of political dialogue within nations and regional communities and between donor and recipient countries.

102. The complex and integrated world in which we live requires collective choices and international dialogue on a global scale to address some of the most difficult challenges facing our planet. This is particularly so in areas such as climate change, epidemics, public goods and the creation of a fair, open and rules-based multilateral, financial, monetary and trading systems that accord the highest priority to development issues.

103. The above fundamental principles relate to the overall orientation and functioning of the Secretariat as a whole, and should be the broad guideposts for its officials in all their functions, activities and initiatives. The ACP Secretariat envisions a culture change management process to inculcate these values and principles amongst its staff and to internalise them in some of the Staff Regulations which are being revised.

Role of the Secretariat in Development Management

104. The legal Instruments establishing our organisation show that our Founders did not envisage more than a minimalist role for the Secretariat. The Cotonou Agreement signed between the ACP States and the European Union States in 2000, as subsequently amended in 2005 and 2010, explicitly includes a monitoring task, i.e. monitoring of the implementation of the Cotonou Agreement via policy dialogues, intra-ACP programmes and projects, and other (joint) initiatives and activities. Within the principle of co-management and partnership, this requires that the Secretariat plays an increasingly important role in monitoring and implementation of projects.

105. The overarching goals of the ACP Secretariat are directly related to the overall objectives of the ACP Group as expressed in the Georgetown Agreement and other core documents at the basis of its overall strategic orientations, notably:
- Ensure the realisation of the objectives of the ACP-EC Partnership Agreements in particular, the eradication of poverty, sustainable development and the smooth and gradual integration of ACP States into the world economy;
- Co-ordinate activities relating to the implementation of the ACP-EC Partnership Agreements;
- Promote and strengthen unity and solidarity among the Member States, as well as understanding between our peoples;
- Consolidate, strengthen and maintain peace and stability as a precondition for improving the well-being of ACP peoples in a democratic and free environment;
- Contribute to the development of greater and closer economic, political, social and cultural relations among developing countries and, to that end, cooperation between the ACP States mainly in the fields of trade, science and technology, industry, transport and communications, education, training and research, information and communication, the environment, demography and human resources;
- Drive more innovative policies, especially in the areas such as the environment and natural resources management within the framework of sustainable development;
- Promote and reinforce intra-ACP regional integration so as to enable ACP States to increase their competitiveness and to meet the challenges of globalization;
- Strengthen relations with the European Union with the aim of speeding up the development of ACP States;
- Define a common stand vis-à-vis the European Union on matters covered by the ACP-EU Partnership Agreements and on the issues tackled by international bodies likely to affect the implementation of the ACP-EU Partnership Agreements;
- Work for the emergence of a fairer and more equitable international economic system;
- Strengthen the political identity of the ACP Group to enable us act as a coherent political force in international bodies and to ensure that due regard is accorded our collective interests;
- Promote and reinforce political dialogue within the ACP Group so as to consolidate ACP unity and solidarity;
- Contribute to strengthening regional mechanisms for the prevention, management and peaceful settlement of conflicts and by pursuing and developing co-operation with other states and regional organisations, and;
- Establish contacts and relations with other States and groups of States, particular, for the promotion of South-South cooperation for development.
Box 4: The European Development Fund (EDF)

Overview

The European Development Fund is the primary vehicle that the EU deploys in its financing activities in the ACP countries. The EDF is an extra-budgetary fund, and therefore is funded by the Member States according to a specific contribution key. It is subject to its own financial rules and is managed by a specific committee. Its financing broadly covers promotion of economic development, social and human development, and regional cooperation and integration. The EDF consists of several instruments: (a) grants managed by the Commission, (b) risk capital and loans to the private sector, managed by the European Investment Bank under the Investment Facility, and (c) the FLEX mechanism, to remedy adverse effects of instability of export earnings.

The EDF is concluded for a multi-annual period (usually 5 years) and is implemented within the framework of an international agreement between the European Community and the partner countries. The 10th EDF (2008-2013) is governed by the ACP-EC partnership agreement (signed in 2000 and revised in 2005 and 2010). The 10th EDF has a total budget envelope of €22.682 billion, of which: €17.76 billion is for the national and regional indicative programmes (81% of the total); €2.7 billion to intra-ACP and intra-regional cooperation (12% of the total); and €1.5 billion to Investment Facilities (7% of the total). Compared to the 9th EDF, an increased share of the budget is devoted to regional programmes. One of the innovations is the creation of “incentive amounts”, extra resources which countries can earn by improving their governance (in particular, management of their financial, tax and legal systems).

Financial programming

Since 2000, EDF resources are based on a system of rolling programming, which gives beneficiary countries greater responsibility for determining objectives, strategies and operations and for programme management and selection. Grants are allocated on the basis of an assessment of requirements and performances, following criteria negotiated between the beneficiary countries and the EU. While some funds from the envelope have been set aside for humanitarian and emergency assistance, most are resources are allocated on the basis of multi-annual programming, for which country and regional strategy papers are prepared by the Commission.
Resource Mobilisation and Intra-ACP Financial Programming

106. The EU is the largest single donor in the international development arena. During almost four decades of cooperation with the EU, the ACP Group has acquired special competencies in the negotiations for and management of resources under the European Development Fund. The 10th EDF, for the period 2008 to 2013, amounts to €22 billion (see Box 4). The EDF experience could be the platform for the effective management of increased flows of Official Development Assistance (ODA) and other windows of multilateral and bilateral aid flows to ACP Member States and Regions.

107. The Secretariat's development finance and financial programming function was created by the ACP Council of Ministers to underscore the importance of the finance and economic aspects of the ACP-EU Cooperation Agreement. Much of our activities in this domain have focused on macroeconomics and public management, debt and structural adjustment and on intra-ACP Programming and resource allocation and project financing.

108. Specifically, this function aims to "contribute to the achievement of the mission of the ACP Group in the implementation of the Cotonou Agreement with regards to ACP-EU development finance cooperation, and to multilateral economic and finance issues". These activities can be grouped into four core results areas, namely: (a) multilateral macroeconomic issues; (b) development finance and cooperation; (c) intra-ACP programming; and (d) consolidated project planning, monitoring and evaluation.

109. We also note the important role that the EIB plays in managing the ACP Investment Facility and the Africa Infrastructure Trust Fund (see Box 5). However, we also believe that we can do more to mobilise resources for private-sector investments and for trade-financing. During this strategic plan period, strengthening ACP-EU development finance cooperation would be attractive from two perspectives: financing opportunities reflected in the EU commitment to scale-up its ODA, and the potential scaling down of all-ACP trade as regional EPAs take shape. Since EPAs will be implemented and managed at Regional level, development finance would become more prominent in all-ACP discussions.

110. We would aim to strengthen cooperation within the ambit of the EDF whilst pressing for improvements in the speed of disbursements, simplified procedures, enhanced ownership and autonomy through the now accepted policy of budget support, as well as substantial delegation of authority from the Commission headquarters in Brussels to national and regional EC Delegations. A restructured Secretariat would be in a position to assume greater responsibility in the co-management of funds and projects in the field. It is also imperative to look for more creative ways of mobilising additional resources from the BRICS and other emerging economies and through establishment of an ACP international investment banking vehicle.

111. It would be vital that we pay adequate attention to the emergence of other strategic players in international relations and determine the value and the ACP Group can add to the activities of international organizations, and indeed the opportunities from a myriad of relations with other countries and organizations. Furthermore, the Group needs to determine how it can put to good effect its numerical strength
and critical mass to advance its own interests through alliances/partnerships with other countries and organisations.

112. The ACP Group has observer status with several international organisations: the UN (since 1981), UN Habitat, WTO, World Intellectual Property Organisation (WIPO), United Nations Conference on Trade and Development (UNCTAD), United Nations’ Educational Scientific and Cultural Organisation (UNESCO), Organisation Internationale de la Francophonie (OIF) and Commonwealth Secretariat. It has technical cooperation agreements with the World Customs Organisation (WCO), UN Convention to Combat Desertification (UNCCD), Organisation for Economic Cooperation and Development (OECD) and the World Bank. Other organisations that should be considered include the African Union (AU), World Meteorological Office (WMO), Climate Change Convention, the Bio-diversity Convention and Food and Agriculture Organisation (FAO).

113. The privileged relationship between the ACP and the European Union is the very essence of the Cotonou Agreement of 2000. The overall objective of the Agreement is “to promote and expedite the economic, cultural and social development of the ACP States, with a view to contributing to peace and security and to promoting a stable and democratic political environment.” Furthermore, it is stated: “The partnership shall be centred on the objective of reducing and eventually eradicating poverty consistent with the objectives of sustainable development and the gradual integration of the ACP countries into the world economy.” In Article 1 of the Agreement the fundamentals of the partnership are additionally cemented by specifying that: “These objectives and the Parties’ international commitments shall inform all development strategies and shall be tackled through an integrated approach taking account at the same time of the political, economic, social, cultural and environmental aspect of development. The partnership shall provide a coherent support framework for the development strategies adopted by each ACP State.”

114. The partnership is financially supported by resources from the EDF, which are jointly determined by the two parties on a five to six year basis. The Community’s financial assistance to the 9th EDF comprises an amount of up to €13.5 billion in grants (plus €1.7 billion in the form of loans by the European Investment Bank in the form of loans made from its own resources) covering the period 2000 – 2007. The provisional total resources available under the 10th EDF to cover the six year period 2008 – 2013 amount to €22.682 billion, of which €21,966 billion are ACP operational credits, distributed as follows: 80.9% for national and regional cooperation (NICs and RICs), 12.3% (or €2.7 billion) for Intra-ACP cooperation, and 6.8% for the investment facility managed by the EIB.
Box 5: The ACP Investment Facility

Overview

The European Investment Bank (EIB) manages the ACP Investment Facility (IF), a €2.037 billion risk-bearing instrument financed from the EDF and geared specifically to fostering private sector investment in the ACP countries. In addition to the ACP Facility, the Bank is currently authorised to lend up to a further €1.7 billion to the ACP countries from its own resources. Based in Luxembourg, the EIB maintains five External Regional Offices in Dakar, Fort-de-France, Nairobi, Sydney and Tshwane (Pretoria), covering respectively West Africa and Sahel, the Caribbean region, Central and East Africa, the Pacific and Southern Africa and the Indian Ocean.

Financing approaches

The IF provides various forms of risk sharing financing instruments for investment projects in most sectors of the economy. Prospective projects for funding must be economically, financially, technically and environmentally viable. This includes projects in infrastructure. IF support is provided through: (i) debt finance, (ii) guarantees, (iii) equity-type financing and (iv) acting as an investor in private equity funds. The European Financing Partners (EFP) is a special purpose vehicle created in 2004 and jointly owned by the European development finance institutions (EDFIs) and the EIB. The EFP funds commercially viable, mainly medium sized, private sector projects in the ACP States, ranging from €1 million to €25 million in size. EFP contributes up to 75% of the funds, while the EDFI member submitting the project (the promoting partner) contributes the remaining 25 percent. Out of EFP’s existing €330m total funding capacity, some €190m has been provided by the IF. The EIB also provides “global loans” (some 20% of all its financing activities) to private banks, which in turn on-lend to SMEs. Over a quarter of EIB investments in Africa are in the energy, oil and gas sectors, totalling nearly €600 million since 2000 alone.

Examples of projects financed

The Bank has played a role in some of the continent’s largest hydroelectric dam projects. In July, the Bank committed €33 million, nearly a third of the total cost, toward the construction of the Félou Hydroelectric Dam in Mali. The dam is designed to feed the West Africa Power Pool, an ambitious scheme aiming to integrate national electric grids in the region. Examples of other projects financed are: The Kolombangara Forest Project, Solomon Islands, €3 million; Société Générale Mauritanie, € 5 million; Clico Global Loan, Trinidad and Tobago, €10 million; Norman Manley International Airport, Jamaica, €35 million; Jirima Water Project, Madagascar, €23.5 million; Flower Farm €2 million; hotels and tourism, Mauritius; €11.1 million; titanium production, Mozambique, €57 million; Zambia copper mining and processing €72 million; Kenya Geothermal Power Station €32 million; Senegal Ferry Boat €10 million; Chad Sugar Plantation / Processing €11.8 million; Nigeria Cement €33 million; and Ethiopia Hydro-Power €50 million.

Source: European Investment Bank, Luxembourg, November 2010.
115. The main contact points between the ACP Group and the European Commission remain the ACP-EC Development Finance Cooperation Committee and the ACP-EC Ministerial Trade Committee, which are directly under the aegis of the ACP-EC Council of Ministers. For the overall programming of the EDF resources, the ACP Group’s major counterpart in the European Commission is the Directorate-General for Development (DG DEVCO), while for the subsequent phases of the integrated programme/project cycle main responsibilities are with the EuropeAid Cooperation Office (in short: AidCo or EuropeAid). For trade matters, obviously the EC’s Directorate-General Trade is also a key stakeholder. For economic and social subjects a prime partner in the EC institutional set-up is the European Economic and Social Committee.

116. With the current reforms under the Lisbon Treaty, in particular, the establishment of the European External Action Service (EEAS), however, there are bound to be a number of institutional changes relating to how we work with our EU colleagues in the years ahead.

117. One of the main tasks of the Secretariat is the monitoring of the implementation of the ACP-EU Partnership Agreement. This particularly pertains to the Intra-ACP cooperation programmes and projects. In the 10th EDF for the period 2008 – 2013 an amount of €1.655 billion is explicitly foreseen tentatively for the intra-ACP Indicative Programme, which is 7.6% of the total EDF envelope and almost two-thirds (61.7%) of the entire budgetary provisions for Intra-ACP Cooperation. A number of these Intra-ACP projects are implemented by international organisations, for example, UNDP, UNFPA, WHO, UNESCO, ILO, FAO, WTO and World Bank. Others are executed by existing organisations or by temporary, ad hoc arrangements especially set-up for that purpose. In a number of cases, Project Management Units (PMUs) have been created with Technical Assistance (TA) Teams to ensure the day-to-day and overall management of the respective projects concerned. The Secretariat plays an important role in the initial country programming as well as in project monitoring under the integrated project cycle identification, formulation, financing decision, implementation and evaluation.

118. For some projects, the ACP Secretariat has only been involved in the programming phase, or in the approval/financing decision phase, while for others the Secretariat bears co-management responsibilities for the entire cycle. It is especially with regard to the former projects for which the ACP Secretariat has only been involved in the very early stages of the project/programme cycle that a lot of frustration exists, not only with the experts and managers in the ACP Secretariat, but also with members of the other Organs of the ACP Group.15

119. Another major concern relates to intra-ACP projects not properly mainstreamed in the national and/or regional policies of the Member States concerned. Special emphasis is given therefore to the promotion of sector approaches in order to duly incorporate and mainstream the projects within the national (and regional) sectoral policies. Also budgetary support is an aid delivery modality under the Cotonou Agreement which has received increased attention and importance.

15 During the stakeholder survey conducted in 2007, some staff respondents complained that intra-ACP Projects had the tendency of “vanishing in the haze” once they had been approved. Others labelled the role of the ACP Secretariat in the programme cycle as merely that of a “post office”.
120. A major difference between Cotonou and the erstwhile Lomé Conventions is that Cotonou, to a large extent, is results and performance-based; implying that resources are not automatically allocated for the entire duration of the Agreement. The principle is that the amount of future disbursements will basically depend on actual performance and absorptive capacities, amongst others. Overarching concern expressed during the SWOT consultations in 2007 was surrounded the need to delegate more executive powers to the ACP Secretariat for supervising, coordinating and monitoring of the Intra-ACP Projects, with overall policy responsibilities remaining with the ACP Organs.

The Question of Budget support

121. Budget support is one of the EU's main modalities of delivering aid to ACP countries, accounting for more than 50% of all programmable resources under the 10th EDF. More than two-thirds of all ACP countries receive EDF aid in the form of budget support. It has also proved to be the most suitable aid-delivery modality for fulfilling the commitments made in the Paris Declaration on aid effectiveness (ownership, alignment, harmonisation, managing for results, mutual accountability). In the current economic circumstances in ACP States, it offers significant comparative advantages and is better suited to their needs. However, despite the international reference framework established, the implementation of budget support has not received universal approval. Certain stakeholders, notable among them the EU Parliament and the European Court of Auditors, have been raising an increasing number of questions regarding its quality, cost-effectiveness, and impact.

122. Clearly, it would not make sense to throw away the baby with the bathwater. What is necessary is to improve delivery while ensuring predictability and aligning disbursements to the budget cycle of beneficiary countries. We are convinced that a structured dialogue approach in which budget support stakeholders could discuss the major implementation concerns is vital. We would also continue to make the case for ownership even as we work out a common framework for monitorable results-based management indicators.

Trade and development cooperation

123. The EU has been the single biggest trading and development partner for the ACP countries. Since the Yaoundé and Lomé Conventions, the non-reciprocal trading arrangements that we had with Europe were based on detailed and painstaking negotiations. They were also closely allied to availability of financing to protect against price volatility for ACP commodities.

124. After the completion of the Uruguay Round of multilateral trade negotiations, it soon became clear that these traditional trading arrangements were no longer compatible with the new WTO rules. The ongoing negotiations on Economic Partnership Agreements (EPAs) with ACP regions have posed major difficulties for some of our member countries and regional communities. As of April 2011, only the Caribbean has concluded a full EPA with the EU.

125. While the EU is one of the most open markets in the world, specific limitations still create obstacles for poor countries. These include stringent rules of origin with little scope for cumulation, tariff peaks for a number of products of export interest for LDCs, and non-tariff barriers, including sanitary and phytosanitary and other
standards, which, while they can be considered fully legitimate, represent nonetheless major obstacles. It is a curious fact that the EU collects more tariff revenue from the group of ODA-eligible countries than from its major developed country trading partners.

126. There is also the question of policy consistency.\textsuperscript{16} The EU’s Common Agricultural Policy (CAP) has operated in a manner that some of our countries consider rather protectionist. When you put this against the demand for outright liberalization in the manner demanded under the EPA framework, some of our countries feel it would aggravate their development challenges and imperil the welfare of poor peasant producers from some of the poorest regions of the world. It has also been underlined that development of countries’ capacity to export has to be integrated at the heart of national development and poverty reduction strategies. For developing countries, trade liberalization is unlikely to be sustainable without some form of social protection, which is recognized as a cost effective non-trade distortive protection system in an open international trade regime. We believe that a better interplay between trade, employment and social protection has important development potential where the EU can take an important lead role.

127. Equally important is the question of Aid for Trade (AfT). The EU is commended for its lead in providing Aid for Trade in supporting developing countries to benefit from the rules-based world trading system. AfT is a proven tool for enhancing productive capacity, enabling enterprises to manufacture products with high-export potential in the quantities and level of quality required by international markets. AfT also has an important social adjustment function, including addressing the interplay between trade and employment.

128. For us at the Secretariat, our role in the coming years is to engage with our ACP regions and member countries on the one hand and the EU on the other, to get the EPA negotiations to a speedy conclusion. Clearly, the current impasse does no good either to our longstanding cooperation or to the prospects of development and poverty alleviation in our member countries.

**Development Partnerships**

129. The ACP Group has acquired formal relationships with the international organisations where we can act as a bloc for furthering its interests and those of its members, and possibly can also solicit further funding, for example from OECD, UNCTAD, WHO, WIPO and other Geneva-based international organisations. We are considering a further widening of those networks to include the African Union, the Food and Agriculture Organisation, World Food Programme, amongst others.

130. The presence of an Office in Geneva gives the ACP Group a head start not only with the WTO, but also with the WHO and WIPO. The Office in Geneva, which was started up as a special project, is now being integrated within the regular organisational structure of the ACP Secretariat as an integral part of it. With already existing financial resources and personnel the Geneva representative promotes the ACP Group amongst the international organisations with headquarters in Geneva. It is envisioned that the ACP office in Geneva continues giving rise to a new spirit of

\textsuperscript{16} The UN Brussels Team, Response to the EU Green Paper on Development Policy, January 2011.
togetherness for ACP States. The presence of the ACP Group representative to the WTO in Geneva represents an act of independence and solidarity of the ACP Group which gives directions for other cohesive and practical activities.

131. The ACP Group has enjoyed observer status with the United Nations since 1981. The Group also has working partnerships with UNIDO, FAO, IFAD, UN Habitat, WTO, WIPO, and UN and has concluded Memoranda of Understanding with UNCTAD, UNESCO, ADB, UNFPA, ILO, the African Union, the OIF and the Commonwealth Secretariat. It has concluded technical cooperation agreements with multilateral organisations as the Secretariat of the UN Convention to Combat Desertification, with the World Customs Union (WCO), the OECD and the World Bank, amongst others, and with several bilateral development agencies. To streamline all these initiatives with a general aim of increasing the overall visibility of the ACP Group and to further its leverage, influence and strength as a bloc in international forums, the formation of a special sub-Committee on Foreign Relations is perhaps an issue that could be explored by our Committee of Ambassadors.

Organisational constraints and challenges

132. The emergence of new international organizations/groups such as the G-90, the re-invention of traditional organizations/groups such as the African Union, including the New Partnership for Africa’s Development (NEPAD) initiative, OIF, the Commonwealth and the more prominent role of ACP Regional Economic Communities (RECs), especially in relation to ACP-EU Economic Partnership Agreements (EPAs), clearly have some implications for the ACP Group. In this regard, it should be determined whether the Group can still be regarded as the preferred vehicle to represent and advance the interests of its member states and regions, especially since regional components and other like-minded organizations/group have diversified ties, whilst the ACP Group, as a component, has only really concerned itself with the EU.

133. There is also the growing realisation that, despite the size and geographic extent of the ACP Group, we have not exploited the power of our critical mass or moral ascendancy as an embodiment of the majority of the poorest nations. Clearly, the ACP has to fully reinvent itself if it is to survive and remain relevant not only for the EU but also as a credible actor on the global arena. Part of the problem is the poor visibility of the ACP Group, a problem which has to be remedied through more active media-related activities and programmes.

134. We believe that the ACP Group can build on its numeric strength and moral authority to promote its collective cause as a major force in international economic relations. It could also use this asset to establish crucial alliances with the emerging economies of Asia and Latin America. The emergence of new international organizations/groups such as the G-90, the transformation and re-organisation of organisations/groups such as the African Union, including the NEPAD-initiative, OIF, Commonwealth, and the more prominent role of ACP Regional Integration Organizations, provide additional windows of opportunity.

135. The ACP Group need not view itself as being in competition with other international organisations. On the contrary, it should play a complementary role in advancing the cause of sustainable development and poverty eradication. For instance, after thirty years of cooperation with the European Union, the ACP Group has acquired a
wealth of experience in the area of international trade preferences and has been an active participant in multilateral trade negotiations – experiences that are still relevant in the dialogue between rich and poor in the emerging international order.

136. The ongoing EPA negotiations, if successfully completed, will result in an entirely different scenario, in which consistency with multilateral trade disciplines on the basis of reciprocity will be the norm. The negotiation of ACP-EU trade regimes, particularly for the commodity protocols (sugar, bananas, rice, beef, etc.), and participation in various rounds of multilateral trade negotiations, often in conjunction with the European Union, have endowed the ACP Group with significant experience in the negotiation of trade agreements. In addition, during almost four decades of cooperation with the EU, the ACP Group has acquired special competencies in the negotiations for and management of resources under the European Development Fund. This has been one of the major sources of funding for ACP Member States. The EDF experience could be the platform for the effective management of increased flows of Official Development Assistance (ODA) and other windows of multilateral and bilateral aid flows to ACP Member States and Regions.

137. The ACP Group’s sustained focus on global initiatives and partnerships would be needed to collectively strive for the maintenance of the tempo of implementation of global commitments. The commitments on this front do range from financing the achievement of the MDGs through scaling-up of ODA, and aid effectiveness to debt relief measures. However, most of the global financing initiatives are formulated unilaterally by bilateral donors and multilateral institutions without consultations with beneficiary countries. Global policy dialogue on these and many other development finance issues would also call for continued collective approach on the part of the ACP Group with the view to maximizing their collective bargaining power.

138. The ACP Group would need to take cognizance of the growing presence of new entrants in the development finance cooperation arena. A collective strategy to tap the resources of new entrants and historic development partners that are essentially strong on a bilateral front ought to be part of a future orientation of the ACP Group.

139. By forging alliances and collaborating with like-minded international organisations, the ACP can be a veritable tool to help build international consensus on a number of topical issues in development, notably on the MDGs, climate change, human and food security, and reform of international governance and the global financial architecture.

The Comparative Advantage of the ACP Group

140. We believe that the ACP Group can be most effective when it sets out not to replicate what others are already doing rather well but when it concentrates in those niche areas in which it enjoys a comparative advantage.
141. The ACP Group is the largest trans-regional intergovernmental organisation of developing countries in the international system. There is potential to build on this numeric strength to promote the collective cause of some of the poorest countries in the world, with opportunity to establish crucial alliances not only with Europe but with some of the emerging global players in the world economy. The collective strength of our Group derives from decades of inter-regional solidarity, international trade negotiations, development finance cooperation political dialogue and relations with other international organisations.

i. The strength of the ACP Group lies in intra-ACP relations – the basis of how the members of the Group relate to each other and the essence of its existence. At the various levels these relations should be nourished to allow for greater intra-ACP cooperation and coordination, and a more cohesive, proactive and vibrant Group. As the principal partner for European development cooperation, we could say that our comparative advantage derives from the following: The ACP Group provides an effective organisational structure for the EU’s provision of development aid in terms of EU policy;

ii. With its decades of accumulated experience and its unique convening power, it provides a stable environment for debate on policy in international economic relations and development;

iii. In practical terms, it is a partner in regulating sources of commodities and trade;

iv. It is an ally in international forums and a diplomatic and cultural link into three major regions of the world;

v. It acts as a communication and information channel on economic and political developments of some of the more strategically important geopolitical regions of the world;

vi. It is a partner for planning and provides personnel to carry out programmes and co-manage development, and;

vii. It represents a very substantive number of countries with whom the EU can negotiate.

142. One of the unique selling points of the EU-ACP system is the joint political institutions. The ACP Parliamentary Assembly, established in April 2005 in Bamako, Mali, is an affirmation of the importance of Parliamentary input into ACP and ACP-EU affairs. It is an expression of the ACP Group’s commitment to democratic governance at local, regional and international level. Within the framework of the ACP-EU Joint Parliamentary Assembly (JPA), the ACP Parliamentary Assembly could play the role of monitoring the application of development policies in ACP States and Regions, based on the aspirations of the populations that Parliamentarians represent. The link between the ACP PA and ACP Council and Committee of Ambassadors in respect of areas of competence and common interest, such as election observation, would need to be further reflected upon from the viewpoint of effective use of budgetary resources and coherence of approach. Currently, the activities of the Parliamentary Assembly are not provided for in the budget of the ACP Secretariat.
143. Provisions of the Georgetown Agreement and pronouncements by ACP Heads of State and Government at ACP Summits, direct the Group towards the establishment of relations with other countries and organizations. The establishment of relations with other countries and organizations are challenging, due to the fact that the ACP may sometimes be misperceived as a creation of the EU, and that its organizational and institutional provisions do not advance these activities/actions.

144. It has been said that democracy is a part of the great conversations of mankind. Dialogue is essential to fostering democracy and to ensuring good governance. The fact that the Lisbon Treaty aims to strengthen the European Parliament can be regarded as a positive development in the sense that parliamentarians within the ACP and from the principal Organs can appeal to and work closely with, the EU Parliament in canvassing support for ACP development programmes and priorities.

145. Given that the ACP Group constitutes over a third of the membership of the United Nations, it is in an advantageous position to use its numerical strength and critical mass to form effective alliances with other countries and international organizations to advance common interests within the framework of the United Nations and international community.

**Implications for a new policy agenda**

146. Clearly, if the ACP Group is to enhance its international visibility and effectiveness the mandate of the Secretariat would have to be re-examined with a view to improving its executive capacity, professionalising its staffing and giving it additional responsibility on development management, supervision and execution of projects and programmes.

147. Several constraints, in our view, impede the optimal performance of the Secretariat. These include: the human resource constraint, cumbersome decision-making processes, lack of knowledge for decision-making, the flow of information from Brussels to the member states, poor visibility, cramped facilities at headquarters, lack of adequate empowerment for the Secretary-General, the inadequate skills mix within the staff and the weak financial position of the organisation in general.

148. We believe that human beings are the most critical resource for successful organisations. This is particularly true of intergovernmental organisations that work on cutting-edge issues that are critical to the life-chances of billions on our planet. With a staff strength of 100 people, some of whom are aging fast, the Secretariat lacks the capacity to renew its human capital and to reinvigorate itself for greater effectiveness. Training and capacity development need to be improved. Because of financial constraints, the Secretariat is unable to attract the best people. Business process systems have to be revamped while culture change at the work place is an urgent imperative. Because of the prevailing budgetary constraint, some of the in-house staff are severely overstretched, having to do the work of two or more people at the same time. Lack of promotion and sense of professional advancement has sapped morale, as many staff have stagnated on the same positions for years, leading to falling morale and lack of motivation.
149. There is also the question of the decision-making structures and processes which have not been significantly changed since the 1970s. There is hardly a distinction between technical matters and policy decisions, with no clear demarcation as to the role to be played by the Secretariat on the one hand, and the principal Organs on the other. The formal independence of the Secretariat also needs to be asserted so that some members of the Committee of Ambassadors do not interfere in operational matters such as staff recruitment, promotion and discipline. It is vital that the Secretariat re-orientate itself from being seen merely as a service organisation for the meetings of our principal Organs. It is imperative that the Secretary-General is empowered to use his Good Offices as convener on important political and economic questions relating to the mandate of our organisation.17

150. Another constraint relates to the flow of information between the Secretariat and the Member States. The Secretariat usually communicates through ACP Missions and Embassies in Brussels. However, experience has shown that Government authorities and institutions in Capitals do not receive most of the communication from the Secretariat, and, when they do, they often come too late to be useful to the relevant authorities.

151. There is also the problem of poor attendance of ACP participants in meetings of the organs of the Group. Linked to this is also the lack of clear political direction of the Group’s priorities that would raise the international visibility of the Group. In addition, frequent rotations and changes in the Committee of Ambassadors do have an adverse impact on workings at the Ambassadorial level.

152. The issue of the visibility of the ACP has been a long-standing one. This is largely the fault of internal Managements, who, over the years, have been indifferent towards issues of media and public relations. In the coming years it would be crucially important to upscale the Media/Public Relations function through strengthening the quality of personnel and taking a more strategic approach to strengthening the visibility of the Secretariat in all its key areas of operations.

153. To be effective, intergovernmental organisations have to function at the cutting edge in terms of knowledge capital and competitiveness. Here again, it is clear that the ACP Secretariat would have to scale up its act in order to reposition itself as a knowledge institution. Becoming a knowledge institution requires the capacity to recruit and retain the best; it also requires instituting a culture of excellence and professionalism across all the key Departments. A knowledge institution would be one that generates knowledge and information for its clients, particularly on issues of trade policy, trade negotiations, trade-related development assistance and sustainable economic development in general.

154. Central to our quest to becoming a knowledge institution is the need to create to put in place conditions that will attract the best talents while implementing training and skills programmes for our in-house staff. We intend to also create a new knowledge centre by re-equipping, computerising and modernising the library and have it networked with the best international institutions working in trade and sustainable development around the world and among our member countries and regional economic communities. We would take steps to expand facilities so as to

17 A comparable example would be the role that has historically been played the Secretary-General of the Commonwealth of Nations.
make it an electronic knowledge centre of reference for researchers, students, academics and policymakers working in the areas of trade, development finance and international cooperation for development.

155. Equally important is the need for a new office building, given the current cramped conditions at ACP House. Our European partners had offered an opportunity for the Secretariat to acquire a new building in Brussels. Sadly, it was an opportunity that was missed. We believe that a restructured and institutionally repositioned Secretariat will need a building that is commensurate with its status and with the upscaled ambitions of the ACP Group.

156. The 2007—2009 Strategic Plan did make some reference to the need to enhance the executive responsibilities of the Secretary-General. It is clear that the role the Executive Secretary-General, as currently constituted, does not give him enough authority to really perform to maximum impact. He, for example, does not compare favourably with the Secretary-General of the Commonwealth or, indeed, even of La Francophonie, both of whom have the powers to speak for and represent their institutions in international forums. Enhancing the executive authority of the Secretary-General would require re-examining the relevant legal Instruments.

157. According to Article 10 of the Staff Regulations, the Secretary-General shall be elected for a five-year term, which may be renewable once. However, the general convention has been not to renew the term of the Secretary-General. There is a feeling in many quarters that restricting Management to a one-term tenure of five years may not make for the kind of bold performance that would have an enduring impact. There may well be a need therefore for the High Authorities of the ACP to reconsider this question with a view to allowing for a renewable term as obtains among most of our comparators.

158. Last but not least, the financial position of the Secretariat has always continued to be a major constraint on the capacity of the institution to perform above sub-optimal levels. The Secretariat has largely been dependent on the EU Commission for 50% of its annual operational budget.

159. Support for the ACP Secretariat has always been structured around three main pillars, i.e. support for operating costs; support for certain operational expenses linked to the implementation of the Cotonou Agreement; and support for enhancing management of intra-ACP funds, through technical assistance to the ACP Secretariat as the Regional Authorising Officer for intra-ACP funds. The objective has been to achieve the following outcomes:

(1) Continuity in the Secretariat's activities up to the end of the period covered by the 10th EDF, in two phases and on the basis of two successive financing agreements.

(2) The organisation and holding of institutional meetings, conferences and/or seminars on development themes; and communication actions provided for in the Secretariat’s annual programme.

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18 ACP Secretariat, Staff Regulations, Brussels, December 2005.
The setting up of external technical assistance required for building the Secretariat’s capacity to manage the intra-ACP funds, until completion of the ongoing reform.

160. While this generous support is essential to the survival of the Secretariat, this method of financing is clearly not sustainable in the long-term. For the Secretariat to fulfil its ambitious targets over the next four years it would have to devise a more sustainable approach to raising the level of revenue. A strategy of massive resource mobilisation has to be launched by targeting some of the richer members of the ACP and also some of the potential emerging market partners within the framework of South-South cooperation.

161. Ultimately, we envisage the ACP Secretariat as a knowledge institution, a centre of reference on issues relating to North-South cooperation, trade-related development assistance, developing countries’ trade policies, and regional economic communities. We want to move from being an events and summit-focused organisation to being an ‘honest broker’ intermediating the European system and the ACP and providing technical assistance to our regional member countries.

162. We also realise that international organisations require highly qualified knowledge workers to fulfil their mandates and satisfy the expectations of an increasingly demanding clientele. We will therefore take measures to improve working conditions and the compensation packages for staff. A detailed human resources and skills mix audit will be undertaken so that competencies will be matched to responsibilities. Some right-sizing may be necessary to ensure that we maintain the requisite work force that the Secretariat requires in the challenging years ahead. We shall also work towards upscaling the skills and competencies of staff through training while recruiting additional staff to in those areas that will bring critical value added to the work of the Secretariat.

163. It is vital that we change our corporate culture which has remained virtually dormant for decades. Instead of working in departmental silos, we shall seek to enhance a culture of teamwork, with an emphasis on task-centred teams instead of administrative departments that work in parallel isolation to each other. We will build a culture of excellence that reflects our Vision and Mission and that puts us at par with the best multilateral institutions, including our comparators.

V. STRATEGIC OBJECTIVES AND PLANNED UNDER SRT 2011—2014

164. The current SRT is anchored on the implementation of the following 18 strategic objectives and planned activities. An implementation matrix is being developed for each of the mainline departments so as to coordinate and monitor implementation of these activities.

Objective 1: Accelerate inclusive growth for sustainable development and poverty reduction

165. The ACP Group comprises some of the poorest countries in the world. Some 40 of the 45 Least Developed Countries (LDCs) happen to be ACP member states. Several
are small, island and landlocked countries. A good number are also fragile states while yet others a post-conflict countries. The recent UN summit on the review of the count-down towards the Millennium Development Goals (MDGs) infused a note of realism into the challenges and prospects of eradicating poverty within our generation. Working through our various Organs and in partnership with the EU, the Secretariat will seek to leverage on its goodwill and moral capital to push through programmes that ensure accelerated growth, frontally confront structures engendering poverty and promoting prudent economic management. The ACP Secretariat will seek to promote a rights-based approach to economic and social development, in the conviction that freedom is inalienable from material prosperity.\textsuperscript{19}

166. Promoting growth and sustainable development requires building increased synergies through deepening existing partnerships while exploring new ones. We also realise that it would be rather unwise to pursue the same pattern of development as we have done for decades. Greater attention must be given to building a strong manufacturing base while creating an environment that supports creativity, innovation and investments.

167. The ACP cooperation with Europe has been the most enduring partnership in international economic relations. The ACP Group’s sustained focus on global initiatives and partnerships would be needed to collectively strive for the maintenance of the tempo of implementation of global commitments. The commitments on this front do range from financing the achievement of the MDGs through scaling-up of ODA, and aid effectiveness to debt relief measures. However, most of the global financing initiatives are formulated unilaterally by bilateral donors and multilateral institutions without consultations with beneficiary countries. Global policy dialogue on these and many other development finance issues would also call for continued collective approach on the part of the ACP Group with the view to maximizing their collective bargaining power.

168. The ACP Group would also need to take cognizance of the growing presence of new entrants in the development finance cooperation arena. A collective strategy to tap the resources of new entrants and historic development partners that are essentially strong on a bilateral front would be desired as part of the future orientation of the ACP Group.

Objective 2: Scale up resource mobilisation and improve the quality of financial programming and implementation

169. EDF financing has become one of the most important sources of development funding for all ACP countries. The EU has extensive experience in the use of budget support, a mechanism that has become increasingly popular several of our member countries. However, our National Authorising Officers (NAOs) continue to complain that EDF procedures remain highly cumbersome.\textsuperscript{20} In the coming years, we will work with our European partners to ensure that we continue to streamline both the


\textsuperscript{20} ACP Secretariat, Summary of the 9\textsuperscript{th} Meeting of the ACP Senior Officials in Charge of Development Finance Cooperation, Brussels, 12 April 2011.
procedures and quality of aid resources so that they serve the objectives of sustainable development. We will also try to ensure that the Vulnerability-FLEX mechanism to mitigate the effects of exogenous shocks takes a more rigorous approach to issues such as climate change and the impact of losses from commodity export revenues. We also believe it is vital to leverage on the EDF window as a vehicle for mobilising more additional resources, and that the operational modalities be made more user-friendly and less cumbersome.

170. We are aware of the fact that the Great Recession has imposed new fiscal constraints on developed and developing countries alike, making it more difficult for donors to justify upscaling aid budgets. However, we believe that the prosperity of our countries can provide additional impetus to global recovery. During the 2011—2014, therefore, we would take bolder steps to mobilize additional resources to finance intra-ACP development activities not only from our traditional partners, but also through new partnerships with the emerging economies. Given the demand by electorates for greater accountability in donor as well as recipient countries, we would also ensure more efficient and more effective allocation and accountability for intra-ACP resources to achieve maximum development impact. Priorities will be focused on:

i. Strengthening ACP-EU partnership, and engage new development partners: to broaden the base and increase the depth of contributors to Intra-ACP development programme/ fund.

ii. Transforming the Intra-ACP Programme from current unidirectional (ACP-EU) to a more global All-ACP cooperation framework, nevertheless focusing on key areas of comparative advantage, observing the principles of subsidiarity, supranationality and visibility. This would be done through establishing key Intra ACP financing instruments to enhance resilience of ACP Economies to external shocks and mitigate against global environmental threats while exploring explore new innovative ways of financing Intra-ACP development efforts.

iii. Sensitising ACP Organs on transformation taking place in the multilateral development finance and cooperation environment; developing appropriate response strategies, including articulating ACP positions on key multilateral issues, including governance reform in the Breton Wood Institutions and tracking trends in ODA Flows while deepening understanding of South-South and Triangular cooperation and developing engagement strategies.

iv. Undertaking selective research on ACP debt situation (HIPC) and developing appropriate response strategies.

Objective 3: Facilitate trade, market access and harmonious integration into the world economy

171. More than any other trans-regional body, the ACP Group of States have acquired a wealth of experience in multilateral trade negotiations. One of the major challenges before the group is completing the ongoing EPA negotiations in which consistency with multilateral trade disciplines on the basis of reciprocity is the required norm of under the WTO international trading system. While negotiation of ACP-EU trade regimes, particularly for the commodity protocols (sugar, bananas, rice, beef, etc.), and the participation in various rounds of multilateral trade negotiations have
endowed the ACP Group with significant experience in the negotiation of trade agreements, there is evidence of insufficient convergence between the ACP Regions and the EU on several fundamental aspects of EPAs (see Box 6).

172. At the Meeting of ACP Ministers responsible for EPAs held from 27 to 28 February 2007 at ACP House, it was agreed that an all-ACP Forum be created, possibly at Ministerial level, for implementation and monitoring of the development dimension of EPAs. It was also agreed that the ACP Secretariat would put in place mechanisms for monitoring the transitional period between the signing of the EPAs and their full implementation and would also act as the focal point in the implementation and follow-up of the political and development dimensions of EPAs. The Secretariat is also committed working with our member countries and the regional economic communities to bring the negotiations to a successful close in Africa and the Pacific. It will also be the interlocutor with the EU Commission to ensure the smooth implementation of the EPAs after the negotiations have been completed.

173. In addition, the Secretariat will assist ACP States to remove supply-side constraints to the development of commodities, semi-finished and finished products by:

- Developing or strengthening existing programmes to deal with technical obstacles to trade, sanitary and phytosanitary measures, and the appropriate application of rules of origin;
- Organising training and refresher seminars for ACP countries with the support of international institutions specialised in the development of technical standards and trade-related rules; and
- Formulating an ACP Strategy for the mining sector and the extractive industries.
Box 6: The EU-ACP Economic Partnership Agreements

Overview

The prolonged delay in bringing to a close the EPA negotiations to a close has posed some difficulties in the relations between the EU and the ACP countries. Following the emergence of the WTO, in June 2002, the EU outlined the guidelines for the negotiations of regionally-based, WTO-compatible Economic Partnership Agreements to replace the non-reciprocal trading arrangement that had prevailed under the Lomé Conventions. Its key elements include: enhanced market access to the EU for ACP exports; gradual and managed liberalisation of ACP economies; support for regional integration; encouraging more beneficial investment; discussions on trade in services; adoption of a comprehensive approach linking trade and development co-operation. ACP Heads of State and Government adopted a decision on the negotiation of EPAs with the EU in July 2002 which endorsed the ACP negotiating guidelines, but with an emphasis on addressing comprehensively: the external effects of the CAP; the supply-side constraints facing ACP producers; the fiscal consequences of moves towards free trade with the EU. In July 2002, while agreeing the broad outlines set out by the Europeans, ACP countries expressed particular concern about sectors such as agriculture and fisheries, development issues, trade in services, trade-related development assistance and the legal framework for the EPAs.

The Least-Developed Countries (LDCs), 40 of the 45 of which are ACP States, already enjoy a right under WTO rules to non-reciprocal trade preferences and the EU’s “Everything but Arms” (EBA) initiative. The latter grants full duty-free, special-levy-free and quota-free access to the EU for all originating products, except arms, munitions and (on a transitional basis) sugar, rice and bananas. The EU, however, expects that all LDCs will be party to the regionally negotiated EPAs once they are finalised.

Slow progress

A few countries such as Cameroon, Ghana and Côte d’Ivoire have signed up interim arrangements until such a time as their regions conclude firm agreements with Europe. With the ACP, only the Caribbean has completed its EPA with the EU. As of January 2011, the CARIFORUM countries have started their tariff liberalisation in conformity with the new EPA framework. For the other regions, progress has remained rather slow. In February 2011, the Central Africa sub-region resumed talks with the Commission in Brussels. East Africa has also re-opened negotiations with an agreed roadmap and hopes to broker an agreement by year’s end 2011. Not much progress has been made in Southern Africa since the resumption of the technical-level talks with the EU in December 2010. However, a senior-level meeting has been scheduled for April in Lesotho.

The European Commission appears to believe that WTO rules do not allow for any alternative to EPAs. It also seems clear that the EU approach gives little consideration to addressing the impact of the Common Agricultural Policy (CAP) reform on ACP countries.

Source: Trade Negotiations Insight, a Joint publication of CTA, ECDPM and ODI, April 2011.
174. Equally crucial is the drive to enhance institutional capacities in trade-related matters. We will strengthen our institutional knowledge systems as to be able to provide real value-added to our clientele in terms of trade policy analysis and implementation, deepening of regional integration processes, trade-related development assistance and expanding intra-ACP regional trade. Now may be the time to re-visit the project on the creation of an “All ACP” Free Trade Area. The Secretariat will work in collaboration with institutions such as UNCTAD, WTO and the International Trade Centre to engage in reflection and organise operational activities for building productive capacities in ACP countries and regions. In addition, we would seek to implement programmes to support the trade development strategies of regional integration institutions to enable them increase their capacity to absorb EDF trade resources and to increase their intra-regional trade.

175. Another important area is support for the development of economic and trade infrastructures, in particular programmes linked to infrastructural development in the area of transport, water and energy. The Secretariat will also promote the establishment of national and regional regulatory institutions to deal with new disciplines on trade-related issues being negotiated in the framework of the EPAs and many bilateral or free-trade agreements on issues such as trade facilitation, investment, competition, sustainable development and the environment and intellectual property.

176. Linked to the foregoing is the plan to boost the potential of ACP countries to attract inward investments. Programmes in this domain will focus on improving a favourable climate for business and private-sector while enhancing national competitiveness and absorptive capacities at national and regional levels.

**Objective 4: Contribute actively to building trade and productive capacities**

177. The Secretariat will actively contribute to building trade and productive capacities by undertaking helping our member countries remove supply-side constraints to the development of commodities, semi-finished and finished products. We shall strengthen existing programmes on such technical issues as obstacles to trade, sanitary and phytosanitary measures and the appropriate application of Rules of Origin. Other programmes to be pursued include: organising training and refresher seminars with the support of international institutions specialised in the development of technical standards and trade-related rules; formulating an ACP Strategy for the mining sector and the extractive industries; assist in building ACP institutional capacities in trade-related matters and driving the process of deepening intra-ACP trade cooperation through creation of an “All ACP” Free Trade Area; collaborating with institutions such as UNIDO, UNCTAD, WTO, and the International Trade Centre, which specialise in international trade, in developing productive capacities in ACP countries and regions; developing programmes to support the trade development strategies of regional integration institutions to enable them increase their capacity to absorb EDF trade resources.

178. The EPAs have proved to be one of the most difficult challenges in the ACP-EU partnership. As of April 2011, only the Caribbean region has concluded a Partnership Agreement with the EU. Some ACP regions worry about the likely impact of EPAs on poor peasant producers and on ‘infant industries’ in poor developing economies. We believe that it is in everyone’s interest to bring this
process to a speedy conclusion. Europe on its part should adopt a more flexible stance by opening up the door for discussions on possible alternatives to EPAs for regions that feel that current approached do not meet their long-term development interests.

179. In the coming years, we will aim at developing effective synergies with the ACP regional economic communities involved in the EPA negotiation and implementation process while strengthening technical and institutional support to ACP regional organisations while enhancing their negotiating or implementation capacities. We shall also step up regular consultations through the ACP-EU Joint Ministerial Trade Committee, while improving role of the Secretariat in monitoring EPAs negotiations and implementation within the framework of Article 12 of the Cotonou Partnership Agreement.

180. We are also committed to promoting the establishment of national and regional regulatory institutions to deal with new disciplines on trade-related issues being negotiated in the framework of the EPAs and on issues such as trade facilitation, investment, competition, sustainable development and the environment and intellectual property. Equally important is the promotion of a business environment that is conducive to local as well as foreign investments. This is to be achieved through enhancing the capacities to absorb funding from banks and partners (EIB, AfDB and the World Bank: and through boosting national and regional competitiveness and moving our economies through the high-end of the value chain in collaboration with agencies such as UNIDO.

Objective 5: Give fresh impetus to ACP participation in the Doha Round

181. The failure of the Doha Round to evolve a development-friendly international trade regime that conduces to the interests of the poorest countries is an issue that is of great concern to the ACP. The Secretariat will utilise its convening power in mobilising a global coalition that would forge a way out of the current impasse. We would aim at improving coordination of positions on the issues on the agenda for the Doha Round negotiations to ensure that greater account is taken of the specific realities and vulnerabilities of the ACP Group.

182. We will also support ACP Geneva-based negotiators by providing more effective technical assistance under the Multilateral Trading System (MTS) Programme. We would also seek to foster greater coherence around the ACP Group’s development priorities through consultation meetings with our partners, while enhancing capacities in our regional member countries in preparing them for accession to the WTO. In doing this, we shall also seek to strengthen ACP countries' capacity to implement “the early harvests” and the future definitive results of the Doha Round.
Box 7: Trade and the New EU Development Policy

Obstacles to trade

While the EU is one of the most open markets in the world, specific limitations still create obstacles for poor countries. These include stringent rules of origin with little scope for cumulation, tariff peaks for a number of products of export interest for LDCs, and non-tariff barriers, including sanitary and phytosanitary and other standards, which, while they can be totally legitimate, nevertheless represent obstacles. The EU collects more tariff revenue from the group of IDA-eligible countries than from its major developed country trading partners.

Policy inconsistencies

In terms of policy consistency, analysis of the interaction between EU trade policies such as the General System for Preferences and GSP plus, and UN Conventions repeatedly reveal inconsistencies that EU Communications have highlighted and announced the intention to address. EU capacity building support to address deficiencies identified through the GSP process would reinforce the centrality of human rights considerations in a constructive manner. Guidance can be given on gender and human rights considerations in EU sustainable impact assessments conducted prior to conclusion of agreements to avoid negative impact on rights, and particularly since trade policies are not gender neutral.

Development of countries’ capacity to export should be integrated at the heart of national development and poverty reduction strategies. For developing countries, trade liberalization is unlikely to be sustainable without some form of social protection, which is recognized as a cost effective non-trade distortive protection system in an open trade regime. A better interplay between trade, employment and social protection has important development potential where the EU can take an important lead role.

Aid for Trade

The EU is commended for its lead in providing Aid for Trade (AfT) in supporting developing countries to benefit from the rules-based world trading system. AfT is a proven tool for enhancing productive capacity, enabling enterprises to manufacture products with high-export potential in the quantities and level of quality required by international markets. AfT also has an important social adjustment function, including addressing the interplay between trade and employment.

Source: The UN Brussels Team, Response to the EU Green Paper on Development Policy, January 2011.
Objective 6: Energise regional economic communities as motors of accelerated transformation

183. Given the heightened role played by Regional Economic Communities in the economic and trade development of our countries, it is crucially important for Secretariat to tap into their potentials as motors of growth and accelerated transformation. To achieve this strategic objective, we would have to undertake actions aimed at: concluding a Memorandum of Cooperation with the African Union and the various ACP regional integration organisations, and obtaining, for the ACP Secretariat, the status of observer within these various organisations so as to strengthen collaboration and work in areas of common interest; setting up a mechanism to increase the free movement of capital and production inputs, including human resources; stimulating the development of ACP intra- and inter-regional cooperation; setting up a coordination mechanism with the regional organisations; brokering collective learning and sharing of best practices on issues of regional integration; supporting infrastructure growth, and the development of interconnected networks in ACP countries; stimulating the implementation of projects aimed at strengthening ACP inter-regional cooperation, as well as the creation of an All-ACP Free Trade Area; and fostering the facilitation of exchanges, and taking advantage of all Aid for Trade opportunities that advance the regional integration process.

Objective 7: Reinforce development initiatives at the grassroots level

184. We believe that our impact would best be felt if we contributed to improving the living conditions of ACP populations through concrete, development initiatives at the grassroots level, particularly in rural and peri-urban areas. In pursuit of this objective we shall scale our micro-financing programme for local development initiatives, for rural, as well as urban and peri-urban populations. At the same time we enhance support for the development of small farming units, livestock rearing and fisheries in rural areas, and develop synergies with IFAD and FAO in this area. We shall refocus priority on ensuring food security in our countries as a cornerstone of development efforts, working closely with the Technical Centre for Agricultural and Rural Cooperation (CTA). We shall also develop initiatives to improve rural and peri-urban infrastructure while exploring other practical initiatives towards meeting achieving the internationally agreed targets for the MDGs by 2015. We shall also develop partnerships with civil-society organisations as vehicles for local development and we shall seek to facilitate these organisations' access to sources of financing.

Objective 8: Adjusting to the imperatives of the green economy

185. Article 32 of the revised Cotonou Agreement establishes the basis for our action on Climate Change and the Green Economy. Our actions over the coming years will work at the following: developing eco-friendly economic and trade practices; speeding up the eco-labelling process and developing production-traceability practices (trade); developing investment in clean technologies and offering incentives to adopt green technologies; supporting development of a culture of recycling and biodegradability; helping ACP countries to gradually adapt to new and alternative energy sources through the implementation of relevant programmes; developing adaptation and mitigation programmes to counteract the
indirect effects of climate-change; implementing more specific activities with the United Nations Environment Programme (UNEP) to speed up the process of adapting to climate change; supporting, in partnership with certain institutions, the strengthening of programmes conducted within the Department which seek to preserve natural forestry and animal resources, and to develop biodiversity reserves in ACP countries; supporting the integration of ACP countries into the booming carbon market; strengthening cooperation with the United Nations Convention to Combat Desertification to mitigate the impact of desertification in exposed ACP countries; change; Setting up the Forestry Trust Fund for infrastructure development.

Objective 9: Promote good governance and political dialogue

186. The Cotonou Partnership is remarkable for its commitment to the norms of good governance, human rights and the rule of law. The parties to the Agreement have expressly committed themselves to upholding democratic norms and a rights-based approach to development. Article 96 provides for intense political dialogue with countries that fail to live up to these norms while the joint institutions provide a forum for continuing dialogue between the ACP and its European partners within the Council of Ministers and the JPA.

187. During the 2011—2014 period the political and human development function will prioritise the monitoring of the implementation of the Cotonou Agreement with respect to intra-ACP cooperation in the areas of education, science and technology and identifying activities to be undertaken with relevant regional and international organizations in these areas.

188. We will follow-up on the conclusions and recommendations endorsed at October 2010 Second ACP Forum on Research for Sustainable Development. The aim is to improve the role of Research, Science and Technology Institutions as well as promoting the partnerships between ACP and EU research institutions. Among the important areas of focus would be: Monitoring and following up the implementation of the ACP-EU Cooperation Programme in Higher Education-EDULINK and the Erasmus Mundus Programme. We will also follow up on the implementation of the Brussels Declaration on Education for Sustainable Development and the Resolution on the Role of Education in the Achievement of the MDGs. Priorities will also be given to monitoring of health projects, including implementation of the Brussels Declaration on Health and Sustainable Development, the Global Fund to fight AIDS, Tuberculosis, and Malaria (GFATM) while supporting such initiatives as the Global Alliance for Vaccines and Immunisation (GAVI).

189. We will also be monitoring and following up the implementation of Intra-ACP, EDF-funded Information Communication Technologies (ICTs) and Information Society programmes and other relevant activities within the context of the Cotonou Agreement and identifying activities to be undertaken with relevant regional and international organizations in these areas.
Objective 10: Promote education, culture and innovation as tools for development

190. The ACP-EU partnership has always accorded particular importance to cultural dialogue. In an epoch characterised by the so-called “clash of civilisations”, we believe cultural dialogue is more imperative than ever. This is an area in which the ACP could use its diversity to propose an exceptionally rich exchange programme among its Member States and regions. Aware of the need to develop this aspect, the ACP Ministers of Culture have met on two occasions (Dakar, Senegal during 2003, and Santo Domingo, Dominican Republic in 2006) to define the concrete actions to be undertaken to promote ACP cultural exchanges and heritage in all its forms (art, cinema, music, dance, theatre) and further the propagation of its cultural industries throughout the world. The first concrete manifestation of the Group in this area was the organisation of the 1st ACP Festival in Santo Domingo, a successful initiative that should be repeated as soon as possible.

191. Education, science and technology are also crucially important aspects of cultural development. The Secretariat will mobilise additional resources to promote education, science and technology, particularly in areas that build on local knowledge and promote use of local resources for local and world markets. In addition, the challenge posed by the global digital divide is an issue that would have to be addressed.

192. One of the most important realities of our time is mass migration. Youths as well as educated professionals from the developing world are immigrating to the advanced countries in search of better opportunities. The remittances they send back are increasingly becoming significant inputs into local investments. But migration may also bring additional pressures and tensions within the host states. In September 2010 the ACP Secretariat launched a Migration Observatory and is poised to be a centre of world excellence on migration issues.

Objective 11: Implementation of a Development Effectiveness and Results-Based Management Framework

193. We are firmly aware that it can no longer be business-as-usual in the evolving international aid global regime. Mass publics in the donor countries are increasingly insistent about accountability for the use of tax-payers’ money in developing countries. Public discourse in the recipient countries is also increasingly insistent about transparency for the use of ODA and accountability for results. The Paris Declaration of 2005 and the Accra High Level meeting of 2008 have reinforced a broad consensus in favour of fostering partnerships that ensure country ownership, shared responsibilities for results, mutual accountability and development effectiveness. We would continue to work with our European and other partners to ensure that development cooperation is rooted in these values.

194. It therefore behoves us at the ACP to fully embrace the culture of development effectiveness and results-based management. We will do so not only through more rigorous management and leadership but also through ensuring greater efficiency in our internal processes. We shall closely monitor workflow processes with a view to streamlining operations and cutting out red-tape. We will also take stronger measures to enhance internal financial controls and greater financial accountability. We shall also improve our system of internal and external financial reporting in line with international standards for multilateral institutions.
Objective 12: Enhanced partnerships for development

195. In a changing global environment in which interdependence and globalisation have become the new realities, the ACP Secretariat will seek to expand its partnerships not only with international agencies but with new bilateral members, especially with a focus to mobilising additional resources for development and investment in our regional member countries.

Objective 13: Reforming the Secretariat and how we work

196. The ACP Secretariat is a relatively small organisation with a workforce of about 100 international and locally recruited staff. There are certain areas where we are quite strong and there are areas in which we tend to be rather weak. A few of our best experts are highly overstretched. We also realise that there must be re-alignment of skills, competencies and responsibilities. There is clearly need for a skills audit so as to have a more optimal deployment of our talents and to know the areas where we would need to embark on major new recruitment. Clearly, if the Secretariat is become a knowledge and implementing organisation, it would have to be in a position to attract the best available talents. The organisational structure will have to be streamlined to eliminate some of the overlapping functions that do exist so as to ensure greater efficiency and effectiveness in delivery.

197. Therefore, during the 2011—2014 period we shall undertake a comprehensive administrative restructuring and strategic repositioning to enhance impact and results. We shall also improve on the way we work to enhance greater efficiency, performance, accountability and results. Enhancing efficiency of internal business processes also entails implementing new technology systems in the workplace to bring them to the best levels based on the needs and priorities of the Secretariat.

198. The front office of the Secretary-General, the Secretariat-General, has the crucial function of coordinating the activities of the mainline Departments. Headed by the Chef de Cabinet, it coordinates with human resources, trade, development finance and political and humanitarian affairs, in addition to legal services. It has a strategic role in monitoring key programmes while servicing the Committee of Ambassadors and the Council. During the Strategic Plan period, the Secretariat-General will be repositioned to better service the Office of the Secretary-General while coordinating more closely with mainline Departments. The legal services aspects of the Secretariat-General will also be strengthened so that risks against litigation are reduced while legal services can play a stronger role in assisting member countries in areas such as legal reforms, investment regimes, trade and financial services.

199. A major issue of importance that we have to look into is the revision of the statutes of the organisation to allow for a second term for the Secretary-General while enhancing his powers so that he can play a more meaningful role in driving the agenda of development in our regional member countries. The rule about a single term does not make room for continuity in policy and management and the complete change in management every five years does not enhance the institutional memory of the leadership. To strengthen the Secretariat, therefore, we believe that the rules will have to be changed to allow for a second term for the Secretary-General.
Objective 14: Repositioning the Secretariat as an implementing agency

200. Linked to the preceding is the need to deepen the role of the Secretariat and to make it a truly executive institution that provides technical services to member states while assisting them to implement trans-regional policies and programmes. As currently obtains, most of the projects under intra-ACP financing are implemented through a plethora of PMUs. An expanded role for the Secretariat may well require a major reassessment of the role and function of the PMUs, with a view to allowing the Secretariat to take on increasing responsibility as an implementing agency.

201. Renewal and transformation obviously would require a strong financial base for the Secretariat. A situation whereby we depend on the EU Commission for 50% of our annual budget, with the other half coming from individual country assessed contributions, generous as it is, does possess its own inherent risks. Some of the most highly indebted of our member countries, including some that have undergone conflict have been unable to pay their budgetary contributions, some of them going back several years. We also realise that we cannot continue to count on the generosity of our European partners for ever. In the coming years, therefore, the Secretariat will have to explore ways and means of mobilising additional financial resources from our traditional as well as non-traditional partners if it is to maintain its viability while fulfilling its expanded mandate as an implementing agency.

Objective 15: Creation of a knowledge institution

202. It has become obvious to us that all the reforms we intend to implement in the coming years will not make much headway unless we reinvent the Secretariat to become a knowledge institution. A knowledge institution may be defined as an organisation in which knowledge is the core element driving its activities and operations. It is an organisation that attracts and rewards highly qualified people who work together in teams – one that imbibes and internalises the culture and mindset of continuous change and improvement.

203. During the coming years we shall embark upon bold new measures to reposition the Secretariat to be a learning organisation. This has implications for our human resources policy, including recruitment and training, skills auditing and job reclassification. We believe that our Secretariat is better placed than most intergovernmental agencies to serve as a centre of knowledge for all matters relating to trade negotiations, trade-related development assistance and regional economic communities. We will engage, in collaboration with other sister organisations, on research projects and reports that touch on the trends and development prospects of the ACP countries. We will need to put in place a strong statistical data base that serves a centre for collating information and statistics on trade, regional integration and macroeconomic development in the ACP States.

204. Linked to this is the need to reposition our library to serve as an international depository for information relating to the core activities of the ACP group, with electronic linkages to similar world centres in the developed countries and in our regional member countries.
Objective 16: Acquisition of a new ACP Building

205. The ACP Secretariat has been housed in the same building for nearly four decades. We all agree that the current building at 451 Avenue Georges-Henri in Brussels has by and large outlived its uses. Not only is it too old; we have outgrown it in size. The area has become more residential and is no longer suitable for an ACP Group that aims to reinvent its image as a forward-looking and effective intergovernmental organisation. Since 2010, we have opened discussions with our EU Commission colleagues and with the host Government of Belgium to come to our assistance with regard to the acquisition of a more befitting edifice for our headquarters. During the next few years we intend to acquire an office building that reflects our new image and ambition as a world-class intergovernmental organisation.

Objective 17: Establishment of an ACP Investment Bank

206. In our increasingly globalised world, access to credit is vital oxygen for business, investments and trade to flourish. With global recession of the last few years, many of the sources of credit have dried up for a good number of our countries. Most cannot access international capital markets due to the generally poor image purveyed about Africa and other regions in the global media. While appreciating that there are regional banks in most of our regions, there is no financial institution catering for the ACP as a group.21 We believe that it is an issue well worth exploring.

207. During the Extraordinary Session of the Council of Ministers in Montego Bay, Jamaica, in July 1980, a resolution was taken that a Group of Experts be put together to draw up a framework for the creation of an ACP Bank that would promote trade and investment among the ACP countries.22 Establishment of a private-sector led Investment Bank that mobilises resources from member states, the EU, other development partners and the international capital markets to create a professional institution that provides financing in critical areas to ACP member states. A Concept Note will be prepared to form the basis for a technical study to be undertaken on the feasibility of the scheme and will include proposals on the modalities for its take-off. These proposals will be discussed in detail with key stakeholders and potential subscribers before calls will be made for share contributions. The proposed bank will largely operate as a private sector entity, but will be open to ACP as well as EU member states to subscribe to. It will also focus on niche areas that do not compete with the private sector or what the multilateral banks are already doing, among them mobilisation of venture capital, trade finance and infrastructures development.

Objective 18: Enhance Visibility of the ACP Group

208. Much of the visibility that the ACP once enjoyed in the past has been considerably eroded in recent years. We believe that repositioning the Secretariat as a

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21 The ACP Infrastructure Facility, operated by the European Investment Bank, as the name suggests, is limited to the infrastructure sector and does not cover areas such as trade, raw materials and tourism.

22 A decision had been approved under Resolution No. 10 to pursue the project of creating an ACP Bank at the Montego Bay meeting of the Council of Ministers. See, List of Resolutions Adopted at the Extraordinary Session of the ACP Council of Ministers at Montego Bay, Jamaica, on 7 – 10 July, 1980, ACP Secretariat Brussels, 22 July, 1980.
knowledge institution and as a development implementation agency will contribute to enhancing our status and visibility as an intergovernmental actor. It also goes without saying that the ACP needs to have a spokesperson who can manage the delicate task of intellectual and public diplomacy for the organisation. It is equally true that a vigorous and innovative media campaign is a key target for operationalising the goal of enhanced ACP visibility.

209. Future actions to increase our visibility will be anchored on increasing the level of information dissemination at the national, regional and all-ACP levels on matters related to the ACP Group. Cost-effective strategies that explore innovative approaches will include greater utilisation of existing public relations opportunities to quickly disseminate information to critical stakeholders in the media, civil society, the private sector, public administrations, and universities development partner agencies and our sister international organisations. We would also improve the use of channels such as written publications, audiovisual works, e-mail, the website, video documentaries and films.

210. Equally important is the need to ensure that the ACP does get mentioned alongside the European Union in all projects and programmes where EDF resources are used. Since Non-State actors play a critically important role in the development process, an all-inclusive approach that establishes links with civil society, and the private sector, has to be an integral part of the ACP strategy to enhance visibility.

211. The ACP Chairman of the Committee of Ambassadors, the Secretary-General and, where possible, the President of the Council of Ministers, will have to meet regularly with civil society representatives, both in Brussels and in the countries to which ACP official missions are organised, or which host ACP meetings and conferences. In addition to the preceding, we shall produce regular information brochures to raise awareness about ACP activities. We shall also facilitate exhibitions, lectures, information seminars and public debates in collaboration with Member States. We are also redesigning the ACP Website so as to give a facelift to our external image. We shall also take steps to enhance internal communication while repositioning the Courier magazine to project a better image of the ACP and the unique character of the ACP-EU partnership.

VI. REINVENTING THE FUTURE

212. During 2008 the Secretariat sponsored a consulting study to explore possible future scenarios for the ACP Group which was presented to the Committee of Ambassadors. The three possible Scenarios available to the ACP Group are the following:

i. Continuation of the status quo until 2020, when the Cotonou Agreement expires (short to medium-term option);

ii. Establishment of the ACP Group as an autonomous international organisation without financial dependency on the European Union (long-term option); and

iii. Maintenance and strengthening of current relations with the EU, whilst establishing relations with other countries and organisations (medium to long-term option).
213. Scenario III has been extensively and rigorously discussed. It offers the following advantages and disadvantages. Among its advantages is the fact that building on the Lomé and Cotonou acquis to strengthen cooperation with the EU seems a natural way to proceed. We could also expect some maintenance if not an increase, in EU development aid under the EDF, as has been the case in previous EDFs.

214. We believe this would not necessarily preclude an enhanced and visible role of the ACP in other international organisations such as the WTO, the UN and its agencies. Establishing cooperation with other countries and organisations will increase the global appeal and credibility of the ACP Group. This is particularly important in the light of changing geo-politics and the role of emerging markets such as China, India, and Brazil in global trade and development issues, as well as the need to forge relations with other developed countries other than the EU member States. It also makes sense to build on existing competencies to strengthen the role of the Secretariat in monitoring the implementation of EPAs, especially the development dimension.

215. However, we also have to take account of the main disadvantages of this option. There are legal implications for the Georgetown and Cotonou Agreements. The nature of relations with other entities will determine whether the Georgetown Agreement (GA) will need to be amended. It would imply that members of the GA would not necessarily need to be members of Cotonou. This could lead to possible divergence of interests between Non-Cotonou GA members and Cotonou + GA members.

216. Scenario III seems to have captured the imagination of most stakeholders. However, the feasibility of this option would, in our view, depend on the position of our traditional development, the EU, as to whether they would want to continue relations with the ACP Group based on the Lomé and Cotonou models. A Working Group on the “Future Perspectives for the ACP Group” was inaugurated in January 2010 under the Chairmanship of Ambassador Sutiawan Gunessee of Mauritius. It has been mandated to explore all alternatives to designing a viable future for the Group and has up to 2014 to complete its work.

217. To enable the ACP to play a more meaningful role on the international scene, it would be necessary to improve its visibility while strengthening the role of its leadership. We would have to revise the key statutory provisions relating to the work of the Chairs of the ACP Summit and President of Council so as to give them distinctive and visible roles in the periods between the Summit and Council Sessions. Linked to this is the need to enhance the executive status of the Secretariat, including the role of the Secretary-General so that the organisation can play a more effective and more meaningful role in servicing the key Organs while fulfilling its developmental mandates.

218. One of the distinguishing qualities of the ACP-EU partnership is its legal and contractual character. Central to the future of the ACP Group is the reform of some of the Instruments underpinning its existence as an intergovernmental body. If the organisation is to become a robust player in the international system we would have to review the Secretariat’s mandate, structure, functioning and financing. The principal Organs of the ACP Group have at various forums expressed the need to make the Group more effective on the international scene. It seems clear, therefore, that the constitutive treaty of the ACP Group, the Georgetown Agreement, will need
to be amended to reflect this new direction of the Group, in addition to the Headquarters Agreement with the host country Belgium.

219. What is clear from the foregoing is that the long-term future of the ACP Group will depend not only on the leadership and sense of urgency that we marshal, but also on our member countries and the commitment to solidarity and collective purpose that they bring to the table. According to an old African saying, "sticks in a bundle are unbreakable". Strengthening the bonds of solidarity that unite us and working together to forge a brave new world based on shared values will help us to build a strong and enduring institution that will be a vehicle of development, peace and international social justice.

VII. IMPLEMENTATION, RISKS AND MITIGATION

220. Any organisation or society that fails to adapt to change will sooner or later atrophy and die. In spite of all the risks, reform is a necessary, even if sometimes painful and unavoidable, medicine. It could not be otherwise for us at the ACP. Intergovernmental organisations such as ours always stand a particular risk of settling down for the lowest common denominator. Considering the seismic changes that have taken place in the world political economy in recent decades and the changing priorities of our key development partners, we have no option than to undertake fundamental reforms.

221. Most strategic plans are not lacking in good ideas and innovations. The challenge is always that of implementation. We will therefore put together effective mechanisms and procedures for follow-up, reviews, monitoring and evaluation to ensure that SRT 2011—2014 is effectively implemented. We shall get a buy-in for implementation both from within the Secretariat and from our Principal Organs. We also realise that implementing a culture change programme is an essential element to repositioning our organisation to achieve the ambitious goals and objectives that we have put forward for it.

222. There are risks that key stakeholders may fail to buy into the reforms and that the ambitions we set out in this strategic plan may be destined for the archives like many of our pronouncements and resolutions. There are also risks that Europe turns its back completely from the ACP and that some of our regions decide that the association is not worth their commitments anymore. With regard to Europe, the dependence of the Secretariat on financing from the Commission is something that needs to be addressed through sourcing for alternative funding, for example through the Vehicle of a Financial Trust to which other donors could contribute for special projects and programmes.

223. It is therefore imperative that we take bold action to mobilise the necessary momentum for change, renewal and transformation. And we must approach reform with a spirit of openness and transparency with each other and with our external stakeholders and development partners. At the Secretariat, we must commit to giving honest advice to our Principals and we must show ourselves responsible in the way and manner we handle the resources entrusted to our care. Leadership and effective management are crucial to success in such an undertaking.
224. Because the 79 member countries represent some of the poorest countries in the world (40 of them members of the LDCs), repudiating the ACP as a group would amount to a denial of the ethical foundations underpinning the establishment of Europe itself. But because we cannot be wished away does not give us any moral claim to entitlement. It goes without saying that we have to prove our relevance as a credible partner for development. We have to demonstrate continually our comparative advantage in mobilising resources for development and in spearheading that dialogue of civilisations that is so necessary for the survival of mankind on our planet. If we can demonstrate in tangible terms the value added that we bring to the table, the ACP can be expected to endure and flourish in the years ahead.

Learning, Monitoring and Evaluation

225. Fostering a culture of collective learning is essential to building a knowledge institution and to effectively implementing key strategic objectives. The SMP 2007—2009 identified the need for greater action to foster learning and monitoring and evaluation (M & E) within the ACP as an institution. Under the current strategic plan, the Secretariat will enhance its role in the monitoring and evaluation of intra-ACP financing activities and projects. We shall also put in place a more robust framework for quality control and for monitoring and evaluation of all our development programmes to ensure greater effectiveness and results on the ground. A Quality Assurance Team will be put in place within the Secretariat under the Chef de Cabinet whose role will be to institute an ACP-wide M & E culture while upholding standards and fostering collective learning. There will also be half-yearly briefings on progress towards implementation of SRT 20011—2014 so as to get everyone on track and to avoid any slippages in implementation.

226. The overall aim will be to ensure that all the strategic objectives herein are fully implemented within the time-frame of the matrix for the mainline departments that has been internally designed for that purpose. In so doing, we would inculcate an institution-wide culture of continuous learning and improvement while ensuring greater development effectiveness and accountability for results.