

6980340-2  
A.I.D. Reference Center  
PD-AAC-936-B1

PROJECT AUTHORIZATION

|  |                               |                                 |
|--|-------------------------------|---------------------------------|
| 1. PROJECT NUMBER<br>698-11-995-340                | 3. COUNTRY<br>Africa Regional | 4. AUTHORIZATION NUMBER         |
| 2. PROJECT TITLE<br>ECONOMIC COMMISSION FOR AFRICA |                               | 5. AUTHORIZATION DATE<br>23 p.  |
| 7. LIFE OF PROJECT                                 |                               | 6. PROP DATED<br>March 16, 1971 |

a. Number of Years of Funding: 6  
Starting FY 19 69; Terminal FY 19 74

b. Estimated Duration of Physical Work  
After Last Year of Funding (in Months): 12

| 8. FUNDING BY FISCAL YEAR (in U.S. \$ or \$ equivalent) | DOLLARS |      | P.L. 480<br>CCC + FREIGHT | LOCAL CURRENCY<br>Exchange Rate: \$1 = |      |                    |       |
|---|---------|------|---------------------------|--|------|--------------------|-------|
|   | GRANT   | LOAN |                           | U.S. OWNED                             |      | HOST COUNTRY       |       |
|   |         |      |                           | GRANT                                  | LOAN | JOINTLY PROGRAMMED | OTHER |
| Prior through Actual FY                                 | 443     |      |                           |  |      |                    |       |
| Operational FY  | 275     |      |                           |  |      |                    |       |
| Budget FY   | 325     |      |                           |  |      |                    |       |
| B + 1 FY  | 325     |      |                           |  |      |                    |       |
| B + 2 FY  | 325     |      |                           |  |      |                    |       |
| B + 3 FY  |         |      |                           |  |      |                    |       |
| All Subsequent FY's                                     |         |      |                           |  |      |                    |       |
| TOTAL   | 1,693   |      |                           |  |      |                    |       |

9. DESCRIBE SPECIAL FUNDING CONDITIONS OR RECOMMENDATIONS FOR IMPLEMENTATION, AND LIST KINDS AND QUANTITIES OF ANY P.L. 480 COMMODITIES

10. CONDITIONS OF APPROVAL OF PROJECT

For purposes of the Congressional Presentation, we are indicating final obligations in FY 1974. By that time we will have completed a review to determine subsequent direction of the project.

(Use continuation sheet if necessary)

11. Approved in substance for the life of the project as described in the PROP, subject to the conditions cited in Block 10 above, and the availability of funds. Detailed planning with cooperating country and drafting of implementation documents is authorized.

This authorization is contingent upon timely completion of the self-help and other conditions listed in the PROP or attached thereto.

This authorization will be reviewed at such time as the objectives, scope and nature of the project and/or the magnitudes and scheduling of any inputs or outputs deviate so significantly from the project as originally authorized as to warrant submission of a new or revised PROP.

| A.I.D. APPROVAL   | CLEARANCES                             | DATE    |
|---|--|---------|
| <br>SIGNATURE<br>AA/AFR, Samuel C. Adams, Jr. 3/24/1971<br>TITLE DATE | AFR/TAC, Marjorie S. Belcher <i>MS</i> | 3/23/71 |
|   | AFR/DP, D. Shear <i>MS</i>             | 3/23/71 |
|   | AA/AFR, Philip Birnbaum <i>MS</i>      | 3/24/71 |
| A/CONT  |  |         |

TITLE PAGE

NONCAPITAL PROJECT PAPER (PROP)

229

Country: AFRICA REGIONAL

Project No. 698-11-995-340

Submission Date: March 16, 1971

Original X

Project Title: Economic Commission for Africa

U.S. Obligation Span: FY 1969 - FY 1974

U.S. Implementation Span: FY 1969 - FY 1975

Gross Life of Project Requirements Through FY 1974

U.S. Dollars \$1,693,000

Other Donors:           --          

TOTAL \$1,693,000

1971

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PART I: Summary Description:

The U.S. commitment to support regional cooperation in Africa, and U.S. recognition of the role of the U.N. Economic Commission for Africa (ECA) as a catalyst for intra-African cooperation in the economic and social fields, provide the justification for continued U.S. support for and involvement in ECA initiatives in the future.

As a result of various studies conducted in the mid-1960's, U.S. policy for economic assistance to Africa underwent major change in early 1967. An essential element of the new policy was recognition of the potential role of African regional organizations in African development. In this regard the ECA was recognized as the only organization with capability to undertake region-wide planning and research in Africa. However, the ECA Secretariat suffered certain weaknesses in terms of staff, tendencies to diffuse efforts too widely and lack of coordination with other U.N. bodies. For these reasons steps were taken to strengthen the Commission and its staff, to provide support to an increased number of ECA activities and to encourage ECA participation in multilateral consultative groups.

In the intervening years, the U.S. has taken every opportunity to convey to Mr. Robert K. A. Gardiner, ECA's Executive Secretary, to the ECA and to the African governments concerned, a readiness to support the Commission's activities through cooperating closely with the Commission in various projects and maintaining liaison with the ECA headquarters.

In consideration of ECA's experience in working with Africans on regional and multinational projects, it is in the U.S. interest to be actively associated with the ECA in those areas of mutual priority interest including agriculture, investment promotion, trade, human resources development, and population programming. The provision of limited U.S. assistance to such ECA activities not only helps the ECA to respond more adequately to impatient African aspirations, but also provides opportunities for the U.S. to be associated with activities determined to be of high priority by the Africans themselves. In the longer term, U.S. assistance can make substantial contributions to strengthening ECA's leadership role as a multilateral development institution which is one of the cornerstones of President Nixon's policy for Foreign Assistance for the Seventies.

In accord with general guidelines to concentrate U.S. support in areas of principal U.S./ECA interest, agreement was reached, between A.I.D./W and Mr. Robert Gardiner, ECA's Executive Secretary, during his visit to Washington, D.C., in November 1970, to focus U.S. assistance within five ECA activities in FY 1971 and FY 1972; U.S. assistance to these five activities is detailed in Annex A.

UNCLASSIFIED

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-2-

PART II: Setting or Environment:

A. Organization, Development, Resources

The Economic Commission for Africa (ECA), established in 1958 with headquarters in Addis Ababa, Ethiopia, is one of the regional commissions of the United Nations. It is the youngest of the four regional commissions (the others being those for Europe, Latin America, and Asia and the Far East). ECA's basic budget is a part of the United Nations budget. In addition, regional projects, meetings and technical assistance are jointly undertaken by the ECA, UNDP and the Specialized Agencies of the UN. All independent African States which are members of the United Nations are members of the ECA, although South Africa is specifically excluded from participation by Resolution 974D IV (XXXVI) of the UN Economic and Social Council. Spain, UK, France, and non-self governing territories in Africa are associate members.

Within the framework of United Nations policies and subject to the general supervision of the Economic and Social Council (ECOSOC), the ECA initiates and participates in measures for concerted action to foster the economic development of countries in the region. The Commission also deals with the social aspects of economic development and the interrelationship of economic and social factors. It carries out studies for the creation and exchange of uniform and current economic data of benefit to the countries in the region and other countries of the world. In addition, the Commission helps coordinate programs of technical assistance in the region.

Typically, the ECA organizes over fifty conferences, workshops, seminars, and training courses a year (e.g., training course for manpower planners, seminar on family budget and price indices, training course on rural extension and community development, the biennial conference of African statisticians, seminar on management of ports and harbors, joint ECA/FAO meeting on the coordination of agricultural research). It has mounted a significant publications program and made regional advisors available to African States and regional entities on short-term consulting and training assignments. ECA served a catalytic role in the establishment of the Institute for Economic Development and Planning (IDEP) at Dakar, and the African Development Bank (AFDB). It has established an Africa Trade Center within the Secretariat and played a major role in establishing UNDP-supported regional statistical training centers. Two regional demographic training centers are being planned by the ECA, with funding provided by the UN Population Fund. More concern for industrialization is intended for the 1970's. ECA pre-feasibility studies are often used by our Department of

UNCLASSIFIED

UNCLASSIFIED

-3-

Commerce to interest U.S. business in export and investment possibilities in Africa.

The Secretariat of the Commission is organized roughly on the same lines as the United Nations Department of Economic and Social Affairs, New York. It includes the Cabinet Office of the Executive Secretary, the Division for Administration, Conferences, and General Services; and seven functional divisions covering: Trade and Economic Cooperation, Industry and Housing, Natural Resources and Transport, Human Resources Development, Research, and Statistics. The joint ECA/FAO Agricultural Development Division is, as its name implies, responsible both to the Executive Secretary and to the FAO Director General. There are 145 professional positions authorized for the Secretariat. The UNDP also provides about 45 regional advisors for consulting and training in specialized fields.

The ECA has encountered difficulties in recruiting Africans with requisite qualifications, but, pressed by resolutions of each recent session of the Commission, has increased its efforts toward "Africanization." More than half of the professional staff is now African.

Mr. Robert K. A. Gardiner, Executive Secretary of the Commission since 1962, is a distinguished Ghanaian and a dedicated international civil servant who has become "Mr. Africa" in the eyes of much of the non-African world. In a recent issue of "Esquire" magazine, Mr. Gardiner was cited as one of the 100 most important world figures of the first half of the 20th century.

At the Ninth Session of the Commission held in Addis Ababa in February 1969, ECA celebrated its tenth anniversary. Much of the attention of this session was devoted to strengthening ECA's role as an African-oriented institution to serve development needs of African countries. Disappointment was expressed at slow African growth rates relative to other developing countries and greater mobilization of African self-help efforts was called for. The need for a more positive operational role for the ECA was stressed by African delegates. The anniversary resolutions, inter alia, established a Conference of Ministers of Member States, an Executive Committee to meet at least twice a year and a Technical Committee of Experts to review the work of the Secretariat - bodies designed to improve the operations of the ECA.

During the Tenth Session, held in Tunis in February, 1971, member delegations reaffirmed their commitment to a strengthened ECA operational role in the U.N. system. In addition to adopting a new Commission program of work and priorities for 1971-73, with projections to 1976, the Tenth Session adopted a detailed Commission

UNCLASSIFIED

UNCLASSIFIED

-4-

policy paper entitled "Africa's Strategy for Development in the 1970's." This paper sets forth a development strategy appropriate to the problems and realities of the region as a whole, as well as of groups of countries with differing socio-economic characteristics. It provides a framework for the analysis of investment, program and quality-of-life targets for both African and external resource inputs in an effort to focus attention on the interrelated and interregional nature of African development problems and the means for resolving them.

With the recent publication of the Jackson Report on "The Capacity of the United Nations Development System," the ECA once more found it necessary to re-examine the role it is to play in African development. Africans, as represented by the ECA Executive Committee, the Organization of African Unity (OAU) and the ECA itself, have taken serious issue with the Jackson Report insofar as it deals with the role of the Regional Economic Commissions and the primary emphasis placed on national programs as the basic element of development. It is important to note that the Assembly of Heads of State and Government of OAU have taken the position that the ECA should become more operational and that the resolutions and programs of the ECA and OAU should serve as guidelines for the activities of the UN development system. This is strong support for the cause of economic cooperation and integration in Africa as expounded consistently by Mr. Gardiner and the ECA.

The policy paper drafted in response to these considerations and within the context of the global strategy adopted by the General Assembly for the Second Development Decade, also has been submitted to and approved by the OAU Council of Ministers. Thus, it represents an Africa-wide view which reaffirms ECA's role as a catalyst for intra-African cooperation in the economic and social fields. In addition to a 1970's strategy, in response to resolutions of the UN General Assembly concerning strengthening regional and national facilities in the field of population, the ECA established a Population Center in January 1970. The Center recently has demonstrated dynamic operational capabilities.

In summary, while the full results of the Tenth Session have yet to be made public, it is apparent that the Ninth Session mandate, for the ECA to pursue a more active coordinating role in Africa's development, has been accepted without reservation by the Commission and member states.

UNCLASSIFIED

UNCLASSIFIED

-5-

Financial resources that may be available to the ECA from the United Nations in CY-1971 are as follows:

|  | (\$000)    |
|--|------------|
| U.N. Regular Budget  | \$5,548    |
| U.N. Regular Program of Technical Assistance                     | 740        |
| UNDP Technical Assistance  | 300        |
| U.N. Trust Funds (including U.N. Fund for Population Activities) | 290        |
| UNIDO (regional advisors)  | <u>140</u> |
| TOTAL  | \$7,018    |

B. The United States and the ECA

The ECA is the only U.N. regional commission of which the United States is not a member. However, in accord with U.S. policy objectives supporting regional cooperation in Africa, the U.S. has extended limited technical assistance in support of activities sponsored by the ECA, has attended a number of ECA meetings as an observer, and maintains liaison with the ECA headquarters.

The United States' interest in supporting the ECA relates primarily to its role as a catalyst for economic and social development of Africa, particularly regional cooperation in economic and social fields. Robert Gardiner's leadership in African development gives added importance to the Commission's role. The ECA is one of few major African organizations with the capacity to undertake Africa-wide planning and research, and has made significant contributions to the identification and measurement of those economic and social problems inhibiting progress and development in Africa. For a number of years, therefore, A.I.D. has provided limited direct financial assistance to important ECA-sponsored projects primarily by providing U.S. experts to assist selected ECA studies and seminars. Recent activities for which U.S. experts have been provided include surveys on industrial promotion and interregional cooperation and trade in agriculture; meetings of groups on water resources planning and industrial statistics; a workshop in modern training methods, a seminar on the role of public enterprise in development, and an advanced course in manpower planning and training. Training in the United States has also been provided for two African members of the Secretariat staff.

UNCLASSIFIED

UNCLASSIFIED

-6-

\$132,000 was obligated in FY 1970 to cover costs of providing U.S. consultants to four ECA-sponsored projects as follows: "Advanced Course in the Methodology and Techniques of Manpower Planning and Training," "the East African Sub-regional Meeting on Specific Aspects of Housing Finance," Phases I and II of the study on "Intra-regional Cooperation and Trade in Agriculture," and, in addition, a special assistant in agriculture has been made available, and funds to cover eleven ECA-sponsored African participants to the Second Seminar of the International Manpower Institute, Washington D.C., were provided.

As a result of the above experience, the United States is now in a position to focus more sharply its limited but strategic support of ECA activities both to help overcome critical shortages in ECA's staff development and expertise, and to reinforce through the catalytic and supportive role of the ECA, on-going programs involving "emphasis" sectors and countries of principal concern to the United States.

PART III: Strategy:

The strategy is to provide limited but strategic technical assistance to selected ECA activities in a few areas of joint U.S./ECA interest, and where the U.S. can expect fairly prompt "pay-off" which reinforces on-going programs in "emphasis" sectors such as agriculture and development of trade. This strategy consciously seeks to benefit from ECA's proven capacity as a catalyst for intra-African cooperation and coordination in the economic and social fields, and to make that catalytic role more effective. This strategy has the following elements:

1. Help reinforce the ECA's role as a catalyst for intra-African cooperation -- by means of provision to ECA of short-term and longer-term consultants and experts to fill crucial areas in which the U.S. has a demonstrated expertise of multi-donor and multilateral programs which support systematic programming of short-term seminars and workshops and longer-term studies involving participation by leading member states of the ECA, and which have promise of an institution-building payoff (e.g., the African Trade Center); attendance by Department of State and A.I.D. officials at selected ECA meetings and the sending of a U.S. observer delegation to Commission biennial sessions, demonstrates U.S. support for the ECA's role as catalyst for intra-African cooperation and development.

2. Encourage ECA's own efforts at development of African professional staff at the ECA's Secretariat and for the administrative staffs of member states -- by means of advanced-level participant training in the United States and also support for the Africa-wide internship program at ECA headquarters.

3. Maintain close liaison and contacts with the ECA headquarters and its senior officers -- by means of the U.S. senior advisor to the

UNCLASSIFIED

UNCLASSIFIED

-7-

Executive Secretary of the ECA, Robert Gardiner; the assignment of an Attache for regional economic activities to the Embassy in Addis Ababa; participation by senior State Department and A.I.D. officers in ECA meetings and conferences; and periodic exchanges of visits between Washington and Addis Ababa by the respective U.S. and ECA leadership.

4. Help make ECA initiatives, achievements, and publications known and available for U.S. planning and operations in economic and social development -- by means of circulation of reports of U.S. experts participating in ECA affairs, strategic distribution of major ECA publications within the Department and Agency, and designation of professional "action officers" in assigned offices of the Department and Agency with responsibility to monitor ECA activities.

5. Direct U.S. assistance to high-priority projects within ECA's long-term programs of work and priorities, which are also of concern to U.S. sub-regional and bilateral programs in Africa -- by means of the development of general guidelines which have been set forth in a formal oral agreement outlining five areas of mutual U.S./ECA interest as a framework for more systematic and better-focussed programming in current and future years. (Annex A).

PART IV: Planned Targets:

This activity currently is "open-ended" -- to continue on the basis of annual reviews of ECA progress and needs that probably cannot be met in any other way. (However, in light of changing Agency policy toward aid to institutions, an overall review of U.S. support and ECA activities will form a necessary part of program reviews during the transition period to new institutional forms for the administration of U.S. foreign aid.). Therefore, quantified output targets over a definite time period cannot be provided. On the other hand, the U.S. has gained considerable experience in working with the ECA, leading to the establishment of certain priorities and guidelines. These can be expressed in approximate quantified terms as regards "input" targets for expatriate staffing and ECA staff development. They can also be expressed in terms of certain qualitative goals, and in terms of estimated financial obligations:

A. Staffing Needs

(1) Provision of up to four short-term consultants and/or experts per year for ECA seminars, conferences, workshops, etc., on the basis of prior understanding and agreement between the ECA and A.I.D., with ample lead-time for sound program planning.

(2) Provision of up to four long-term consultants and/or experts per year for major studies in emphasis sectors of mutual concern and agreement, and/or for support of institution-building efforts launched by the ECA to establish viable regional entities, such as the Africa Trade Center.

UNCLASSIFIED

-8-

(3) Fairly long-term and advanced professional training in the U.S. for up to two African officers of the ECA Secretariat and support for up to four African interns from ECA member states for in-service training of one-year duration at the ECA Headquarters in Addis Ababa.

(4) Provision of one senior U.S. advisor to the Executive Secretary of the ECA for the life of the project, or as otherwise desired by the Executive Secretary.

#### B. Qualitative Goals

One principal goal is to assist ECA's own institutional development, to augment indirectly its operational effectiveness and, in turn, the confidence which member states have in its operations. The means to achieving this goal are through selected training of staff and the on-going advisory services to the Executive Secretary of the ECA. Progress towards achieving this goal could be measured in terms of the gradual (but never complete) "Africanization" of ECA staffs having recognized competence in their work; other determinants could be periodic review of organizational arrangements, including central structures and the work and role of regional offices. A fundamental issue to be carefully watched in the next year or so will be the impact of the recent United Nations-sponsored Jackson Capacity Study (on the operational capacities of the UN Development System) regional economic commissions like the ECA, including specifically the ECA's potential to assume more effective coordinating and operational responsibilities involving total UN efforts in Africa.

The second goal is to help bring about direct improvements in ECA's operational effectiveness, by means of infusion of U.S. expertise in certain operations of mutual interest and concern. The involvement of U.S. experts in ECA projects not only help meet critical shortages in professional staff, but it also provides an effective means of coordination between the ECA and the U.S. in overall program planning and implementation. The ECA has, for example, responded with certain institutional improvements such as a Technical Committee of Experts to review projects and assist long-range planning.

#### C. Estimated Financial Obligations

While the U.S. does not anticipate making any long-term or even annual financial commitments to the ECA activities outlined by this paper, obligations are now averaging about \$300,000 per year and this would appear to be a reasonable target for annual operations, subject to annual review.

For a specific break-down on obligations and programs proposed for FY's 1971 and 1972, see Annex A, below.

#### PART V: Course of Action:

In accordance with the general guidelines for U.S. assistance to the ECA (as noted above in this paper, Part III, (5)), a formal oral agreement was reached this Fall, 1970, to limit U.S. assistance to five priority

UNCLASSIFIED

-9-

areas of mutual U.S./ECA interest. In addition, U.S. assistance to the ECA in the field of population programming is provided through a special UN Trust Fund for Population Programs.

In the interests of good management and efficiency of administration, U.S. funds are advanced on an annual basis to the ECA whenever practicable by means of the mechanism of Grant Agreements. Under this arrangement, ECA has primary responsibility for recruiting the U.S. experts financed under the grants and for providing such logistical support as office space, secretarial services and other administrative assistance.

A. The course of action for the project has the following annual components:

(1) Review of joint U.S./ECA programming guidelines, and of progress to date, plus initial estimates of on-going and future needs for U.S. assistance (target date: spring, summer).

(2) Selection by the ECA of those activities within its program of work and budget for which U.S. assistance will be requested and estimate of the financial requirements (target date: fall).

(3) Review by A.I.D./W of ECA request for U.S. assistance, and obligation of funds (target date: fall, winter).

(4) Periodic exchanges of visits each year between U.S. and ECA officers at highest levels, and participation by U.S. observer teams in the biannual sessions of the ECA Commission, as scheduled.

(5) On-going programmed activities by short and longer-term U.S. experts, and other agreed activities, in the following areas of mutual interest, subject to annual reviews of the programming guidelines:

(a) Agriculture including agricultural trade and livestock.

(b) Support to the Africa Trade Center.

(c) Human Resources Development, including: (i) special advisor to the Executive Secretary, (ii) advanced training of ECA Secretariat staff, (iii) Intern Program for Africans at ECA, (iv) U.S. consultants to selected ECA seminars, workshops and training programs.

For detailed breakdowns on progress to date under these headings, and estimated obligations in FY's 1971 and 1972, see Annex A.

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↓  
(see Annex A)

UNCLASSIFIED

UNCLASSIFIED

-10-

**B. Alternative Approaches or Techniques**

Theoretically, the U.S. could assist in strengthening the ECA and cooperate in its activities by providing more Americans in UN, UNDP or specialized agency roles. In practice however, the slowness and rigidities of the UN personnel system make it impractical to follow this alternative approach. For example, best efforts thus far to encourage U.S. experts to apply for professional positions with the ECA Population Center financed by the UN trust fund to which the U.S. is a major contributor, have met with disappointment. Available positions are being filled by other nationals, in spite of the stated ECA desire for U.S. statisticians and demographers. Consequently U.S. involvement in the activities of the Center are diluted.

UNCLASSIFIED

UNCLASSIFIEDANNEX AU.S. ASSISTANCE TO ECA ACTIVITIES FY's 1971 and 1972

Estimated obligations during FY's 1971 and 1972 fall into five principal areas of mutual interest to the U.S. and ECA as described below:

I. Agricultural Studies:

|                     |                  |
|---------------------|------------------|
| FY 1971 obligations | <u>\$ 93,500</u> |
| FY 1972 obligations | <u>\$156,500</u> |

A. Joint ECA/FAO Study of Intra-Regional Cooperation and Trade in the Field of Agriculture.

This is a continuing project initiated during FY 1969. Divided into three distinct phases, studies are being made to determine possibilities of promoting intra-African trade and the extent to which it might be advisable to adopt policies of diversification or of specialization in the production of various agricultural commodities and agricultural inputs. These studies are being conducted simultaneously in each of the four sub-regions. The U.S. has been asked to assist, through the provision of U.S. experts, in conducting the study for the Eastern Africa sub-region. Prior year funding is providing the services of one economist during CY 1971 and his services will be extended for an additional year. It is anticipated that the services of another full-time economist or several short-term consultants will be required to complete this activity in CY 1972. Total FY 1972 funding is proposed at \$100,000.

B. Joint ECA/FAO Integrated Livestock Study.

At the Second FAO Regional Conference on Animal Production and Health, held in Kinshasa, Democratic Republic of the Congo, from 28 November to 6 December 1969, it was recommended that ECA/FAO organize an inter-disciplinary team of consultants in the main fields of the livestock industry. The team would review, collate and fill gaps in all available information on African livestock development. Conclusions and recommendations would be used to assist Governments in the formulation of their national plans; facilitate regional agreements and policies; and lead to improved co-ordination and cooperation of effort in the respective fields of livestock production, livestock movement, processing and marketing.

The OAU will actively participate in this study through its Inter-African Bureaus for Animal Resources. The African Development Bank and other African regional organizations either are already, or are expected to be associated in the study on regional and sub-regional levels. Other donors including the U.K. and France and the World Bank will also be associated with this study.

UNCLASSIFIED