

Understanding the African Union

How to become fit for purpose?

By Jan Vanheukelom*

This background paper is part of a series on the Political Economy Dynamics of Regional Organisations (PEDRO) and builds on an earlier paper conducted under the Political Economy of Regional Integration in Africa (PERIA) project. It was prepared in March 2017. In line with ECDPM's mission to inform and facilitate EU-Africa policy dialogue, and financed by the Federal Ministry for Economic Cooperation and Development, BMZ, the studies analyse key policy areas of seventeen regional organisations in Sub-Saharan Africa. In doing so they address three broad questions: What is the political traction of the organisations around different policy areas? What are the key member state interests in the regional agenda? What are the areas with most future traction for regional organisations to promote cooperation and integration around specific areas? The studies aim to advance thinking on how regional policies play out in practice, and ways to promote politically feasible and adaptive approaches to regional cooperation and integration. Further information can be found at www.ecdpm.org/pedro.

* Author contact: Jan Vanheukelom (jvh@ecdpm.org). Project team leader: Bruce Byiers (bby@ecdpm.org).

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List of Acronyms

APF	African Peace Facility
APSA	African Peace and Security Architecture
ASF	African Standby Force
AU	African Union
AUC	African Union Commission
BRIC	Brazil, Russia, India and China
CAADP	Comprehensive Africa Agriculture Development Programme
CAR	Central African Republic
DRC	Democratic Republic of Congo
EAC	East African Community
ECOWAS	Economic Community of West African States
EU	European Union
LRA	Lord's Resistance Army
MDTF	Multi Donor Trust Fund
NEPAD	New Partnership for Africa's Development
OAU	Organisation of African Unity
OECD	Organisation for Economic Co-operation and Development
PERIA	Political Economy of Regional Integration in Africa
PIDA	Programme for Infrastructure Development in Africa
PSC	Peace and Security Council
RECs	Regional Economic Communities
UN	United Nations
US	United States

1. Introduction

The African Union (AU) is generally recognised as Africa's continental champion, which promotes political cooperation, peace and security and economic integration. It is also widely seen as Africa's representation and voice in the global institutions. With 55 member states, it is the world's largest and most diverse regional organisation across dimensions in income range (all low and middle income countries), population range, geographic range, and across a wide diversity of political systems.

At the start of the new millennium, a few powerful states - swing states - on the continent pushed for the transformation of the post-colonial continental body of the Organisation of African Unity into a more modern and effective grouping of organs, the African Union. A prime concern of those swing states - such as South Africa and Nigeria - was to modernise the pan-African institutions in such ways as to improve decisiveness and effectiveness in dealing with Africa's multiple conflicts and political stalemates that threatened stability. In reality, there are two major gaps that are hard to bridge. One gap relates to the vast AU agenda and what gets implemented. Since its establishment in 2002, the AU has agreed more than 1,500 resolutions. Yet it remains hard to assess how many of these have been implemented at national and regional levels (AU 2017).

A second gap is a budgetary one. The yearly contributions from member states to the AU remain far below what is budgeted. Despite the prioritisation of this problem by the previous chairperson, Dr. Nkosazana Dlamini Zuma when she took office in 2012, member states contributions to the AU institutions remain unpredictable and insufficient. The AU's dependency on donors continues to be substantial.

At the time of writing, a new round of reforms of the continental architecture was ongoing. In July 2016, the AU Assembly had asked President Kagame to prepare a report with a review of options and recommendations for further institutional reforms of the AU. In the words of President Kagame¹ both the "crisis of implementation" and the "over dependence on partner funding" had to be given priority, as the AU "still has to be made fit for purpose" (AU 2017).

This then is an appropriate time to reflect on three questions that are at the core of this background paper². First, it answers the general question about the contributions of the AU to continental decision making and to implementation at national and regional level (section 2). A second question is more specifically related to the influences and interests of member states in shaping the continental agenda - and to influence implementation. The third question relates to the degree of political traction for continental cooperation in specific sectors. Such sector specific analysis is necessary as the incentive environment, the interests of key stakeholders, and the potential for cross-border coalitions or cooperation differs markedly from sector to sector.

Peace and security (section 3) is the sector that enjoys most traction with member states, and receives most attention and resources. Unlike its predecessor, the AU has departed from the principle of non-interference in order to embrace the principle of non-indifference to war crimes, crimes against humanity and genocide. Nigeria and South Africa have played crucial roles in this transition, which contributed to

¹In July 2016, the AU Assembly had asked President Kagame to head a commission to prepare a report with a review of options and recommendations for further institutional reforms of the AU. This background paper refers to this report as the *Kagame report*.

² This background paper draws on a larger study carried out for the ECDPM PERIA project on the *Political Economy of Regional Integration in Africa*. For more information see <http://www.ecdpm.org/peria>.

institutionalising the comprehensive African Peace and Security Architecture (APSA). Some concrete cases of violent conflict and sanctions demonstrate the roles of member states, other regional organisations and the functions of APSA in peacebuilding and related tasks³.

In other sectors, such as continental programmes in agriculture or infrastructure development, there is significantly less traction by member states, as their interests and incentives are not aligned with the continental programmes and policies (section 4). In both cases, one can question the type of added value that can be expected from a continental organisation. Not surprisingly, the special Commission headed by President Kagame recommended for the AU to “focus on a fewer number of priority areas, which are by nature continental in scope”.

2. On the political traction of the African Union

This chapter assesses the political traction of the AU. It does so by identifying some of the main structural and institutional factors behind the transformation of the Organisation of African Unity (OAU) into the AU. Since the establishment of the AU in the early 2000s, numerous efforts have been undertaken to further modernise and strengthen the AU institutions and organs.

2.1. Structural and institutional drivers and obstacles

Africa’s colonial past, Cold War history, liberation struggles, geography and other structural factors had a major impact on state and institution building, and continue to influence the architecture and effectiveness of regional and continental organisations. The joint historic experiences of member states and their shared assertive pan-African ideology were foundational in the creation of the OAU and its successor, the AU. But the differences in types of colonial administration and exploitation, the arbitrary national boundaries, the exceptionally high number of landlocked countries, the extractive nature of colonial economic exploitation, and the stickiness of some of the proxy-wars and ethnic rivalries, carry major implications for the potential to reach cross-country and continental agreement and political traction at continental level within the AU organs.

At its start in 1963, the OAU membership included 30 of the 32 independent African countries. As decolonisation and liberation progressed and reached its final stages in Southern Africa with free and fair elections in South Africa in 1994, and Morocco recently re-joining, membership of the continental organisation has risen substantially from 30 to 55. The end of the Cold War, the expansion of democratic regimes in Africa, globalisation and new global trends and challenges such as the spread of terror and climate change as well as new international organisations, global players and emerging economies (including BRICS, G20, China, India, etc.) necessitated a remodelling of the continental architecture in order for the organisation to maintain its relevance in the changing context.

The *AU Constitutive Act* of 2000 defines the institutions or *organs* at the core of the AU, their governance and accountability relations, and the mission. At the helm of the AU operates the *Assembly of African Heads of State and Government* (the *Assembly*) that holds a summit twice a year and may convene extraordinary summits. The Ministers of Foreign Affairs of the 55 member states constitute the *Executive*

³ Other examples of roles of member states and regional organisations in peace building, conflict resolution or sanctions can be found in separate studies on the East Africa Standby Force, IGAD, SADC, the ICGLR, the CBLT and ECCAS.

Council, which, supported by the *Permanent Representatives' Committee* with all permanent ambassadors of the African member states to the AU, prepare the agenda and decision making process. Whereas the OAU operated with a relatively small secretariat, the AU created a Commission whose bureaucracy substantially expanded to 1,400. 700 of them are statutorily employed by the AUC, with the remainder working on short-term contracts, often sponsored by donor projects. Out of the thirty regional organisations in Africa, the AU has officially recognised eight *Regional Economic Communities*, RECs. These are older than the AU and primarily focus on regional market integration and peace and security.

2.2. Peace and security as a core driver of the AU

Central in the transition from OAU to AU was instability and the spillovers of violent conflicts on the African continent, including the risks of political instability and external interventions. Therefore, the AU created an elaborate cluster of institutions and organisations to deal with peace and security matters on the continent, the so-called *African Peace and Security Architecture*, APSA. Previously, the OAU and many of the RECs had already been involved in managing or resolving violent conflicts and some of the political crises on the continent. But the institutional scope and organisational capabilities for continental conflict mediation or peacebuilding were minimal as most members strictly adhered to the principle of sovereignty and non-interference. Member states gave the newly created AU a stronger mandate and its institutions were adapted to engage more forcefully in particular conflicts including unconstitutional transfers of political power. Another novelty involved a voluntary mechanism that called on the *soft power* of peer review and peer pressure on matters of good governance and democracy⁴.

The Peace and Security Council is the highest standing decision-making body of APSA. It is tasked with interpreting the expanded mandate, and with taking strategic and operational decisions about where, when and how to prevent and manage conflicts. Its fifteen members are elected by the AU Assembly on a rotational basis, with equitable representation of Africa's five regions. Other interrelated APSA institutions and organisations that are important for the preparation and implementation of agreed policies and programmes include: the analysis centre (the *Continental Early Warning System*), the external mediation and advisory body (the *Panel of the Wise*), the military element (the *African Standby Force* and the *Military Staff Committee*) and a special fund that is resourced through the AU budget, voluntary contributions from member states, and to a large extent by international partners.

The Peace and Security Council and other APSA pillars operate under the principles of *collaborative security* and *subsidiarity*. The first principle calls on the PSC to work closely with two other group of actors on security matters. On the one hand it has to collaborate with African regional organisations and stakeholders, with member states and with non-state actors. On the other hand, there is the wide range of external players such as the UN⁵, the EU, but also strong bilateral players in the security realm such as the US and - increasingly - China. The second principle relates to subsidiarity. APSA is tasked to assess in each conflict situation the most the appropriate governance levels, and contribute to effective conflict prevention and management. Given the complexity of the conflicts, the overlapping mandates of the multitude of regional organisations, and the evolution over time of the nature and regional spread of violent conflicts, this principle is hard to put in practice.

⁴ See PEDRO paper on NEPAD.

⁵ Especially the UN Security Council and the UN Department of Peacekeeping Operations.

2.3. Agenda inflation and implementation challenges

While peace, security and political instability initially have been the main drivers for creating the AU, the governance system was such that the policy agenda expanded rapidly. As Vines suggests, the AU tries to “deal with almost every aspect of life on the continent”, thereby overloading the burden of its relatively small number of staff (Vines 2010). The AUC has admitted to the lack of prioritisation, and critically assessed the widening gap between what gets put on the continental agendas and what really gets implemented⁶. The AUC sees its main strengths and comparative advantages as convening AU member states, facilitating policy formulation and agenda setting, pushing common African positions on matters of interest at continental, international and global level, setting common standards and norms through legal instruments, mobilising resources and speaking with one voice on behalf of all governments and peoples of Africa (AU, 2013, p. 67).

The AUC also admitted that its strategies had been vague and impractical as the implementation largely falls outside the remit of the AUC. Often, detailed implementation plans were lacking, with insufficient attention to - and dialogue with - those stakeholders who are “responsible for translating outputs delivered by the AUC into outcomes and impacts at the regional and national levels” (AU, 2014, p. 28). In the policy areas where the AU has to rely on RECs for implementation, there is often insufficient timely dialogue or involvement of these regional organisations in preparing AU policies and policy decisions. This has repercussions for implementation. As one REC interviewee commented “anything that RECs don’t domesticate will not get done” (interview, PERIA 2016).

Yet, in the current makeup of AU organs, and despite the wave of managerial reforms under Chairperson Zuma, there have been no reform cures to help contain agenda inflation and encourage implementation at the appropriate levels. The latest round of institutional reform proposals by the Kagame Report clearly spells out the problem⁷ and articulates more pointedly than ever before two of the main causes: “there is limited opportunity for leaders to achieve consensus on key issues before the plenary session, and consultation with RECs is inadequate. Moreover, there is no enforcement mechanism for implementing Assembly decisions” (AU, 2017). The institutional *rules of the game* for the decision making process among the vast group of 55 heads of state and government are such that there is no restraint on making promises and grandstanding at the Summit level.

The planning, budgeting and financing institutions of the AU also help explain the agenda inflation and the gap between what is budgeted and what gets implemented⁸. Lack of transparency about member states that fail to live up to their annual financial commitments towards the AU, as well as the absence of sanctions and compliance mechanisms hamper proper planning and budgeting. The current situation of over-budgeting and under-spending and the poor level of annual contributions of member states to the AU budget is untenable according to the Kagame report. By December 2016, only 25 out of 54 member states had fully paid their yearly assessed contributions, and of the 29 who hadn’t paid, more than 15 had made no payments at all: “This level of dependence on external partner funds raises a fundamental question: How can member states own the African Union if they do not set its agenda?” (AU, 2017, p.16).

⁶ In preparation of the AUC 2014-2017 strategy, the AUC assessed its strengths and weaknesses, pointing to explanators for political traction within the AU, or a lack thereof.

⁷ “The Assembly has adopted more than 1,500 resolutions. Yet there is no easy way to determine how many of those have actually been implemented. By consistently failing to follow up on the implementation of the decisions we have made, the signal has been sent that they don’t matter” (AU, 2017, p. 6).

⁸ For a more detailed analysis of the budget process and reforms, see the PERIA report on the AU (2016)

Meanwhile, the AU has introduced new measures to improve the mobilisation of resources among member states and to strengthen its financial governance. Next subsection deals with donor influences on the agenda inflation and erosion of ownership by member states.

2.4. Donors and other external influencers

Africa's integration in the global economy has deepened. The AU has gained weight and importance in areas such as security, development, migration, climate change, and the fight against international crime and terror. Hence, partnership relations with external actors has broadened and deepened. The AU presence in UN bodies and global forums such as G8, G20, Organisation of Economic Cooperation and Development (OECD) and the World Economic Forum has expanded. Besides traditional donor support, the AU now also counts on emerging donors such as China, India, but also South Korea and more recently Turkey. The EU, the US and China have opened permanent delegations to the AU headquarters in Addis Ababa. The UN opened an office in Addis Ababa in 2010, which reflects the growing importance of the AU in development, security and other global challenges such as climate change.

The EU and a number of European member states maintain the most comprehensive set of relations with the AU. These areas of cooperation cover security and sustainable development, the AU's institutional development as well as technical and financial support to many AU organs and programmes. The EU was also the first - and still is the largest - contributor to the peace and security architecture. Emerging donors and big trading and investment partners with Africa such as China tend to prioritise bilateral cooperation and partnerships, although it has constructed the AU headquarters in the Ethiopian capital. More recently China has also shown an interest in developing diplomatic relations with the AU and in supporting some of its peace and security efforts.

In spite of the numerous announcements of purposefully reducing the AU's dependence on external funding, the absolute and relative dependence on foreign funding seems to increase (see table). This merits special attention, as the volume and quality of aid⁹ directly and indirectly affect the AU potential for institutional development, its agenda setting and the choices of what gets funded and implemented. Donor funding usually comes with particular preferences and hence may result in further agenda inflation if the earmarking is not harmonised or aligned with AU priorities. While AU member states have increased the volume of their contributions and have taken on a higher proportion of the operational costs of the AU, donors have had to increase their contributions drastically to cover overall increases in the budget, mainly on the programmes. Peace and security is almost entirely financed externally.

Table 1 - total AU budget + contributions from donors - in US\$million (figures from: AU 2017)

Year	AU budget	Donor funded in percentage
2014	308	'More than half'
2015	393	63%
2016	417	60%
2017	439	74%

⁹ The "quality of aid" refers to the five principles that were globally agreed by development and developing partners - including the AU - in various rounds of the OECD facilitated process on aid effectiveness (OECD, 2005 Paris, 2008 Busan, 2011 Accra): ownership, mutual accountability, managing for results, harmonisation and alignment of policies and instruments.

Secondly, the quality of aid has not improved to such an extent as to improve the incentive environment for AU institutions and member states. The AU's 30 odd donors find it difficult to put the globally agreed principles on harmonisation, alignment and mutual accountability into practice. Some donors cooperate purposefully through *Joint Financing Arrangements*. Through such arrangements they try to improve on harmonisation (in order to reduce the administrative burden on partners), on alignment of their aid behind AU/AUC preferences and management systems, and on the promotion of mutual accountability (Lawson and Kamaray, 2010). But by and large, these Joint Financing Arrangements only cover a small proportion of aid, requiring the AU to maintain multiple systems for accounting and for managing the donor funding that remains outside of the harmonised aid pool.

Hence, the AUC continues to manage earmarked donor funds through separate reporting systems, often in non-transparent ways as these funds may remain off-budget. This weakens the hands of those African reformers who seek to modernise the budget system, and bring external funding on-budget. The resulting intransparency and lack of accountability negatively impacts on the AU member states, certainly on those members who do pay their assessed contributions and who might have taken a stronger interest in an improved AU governance and an upgrade of the AU institutions.

3. On the interests of member states in the AU

So what are the political and other interests of member states to engage in continental politics and institution building? And what are the institutional capabilities to translate their resolve into effective engagement with regional organisations such as the AU, and more broadly in regional dynamics?

This section deals with some of the **general trends or characteristics of national level engagement with the AU institutions**, especially in the area of peace and security, because related policy issues in the area of political instability, violent conflicts, and the likely risks of regional spillovers are the prime drivers of political traction and for member state involvement with the AU and other regional organisations. The context specific features of instability or of the violent conflict need to be factored in to understand the type of involvement of member states and their interactions with regional and continental organisations.

So far, the potential to use the supranational power vested in APSA to intervene through a peace operation has never been put to use by the AU, due to profound disagreements to utilise this institutional potential.

3.1. General: aligned stars

The transition from OAU to AU had been debated for a long time, but by the end of the 1990s the stars were aligned. First of all, in 1999 saw the “star” alliance of principally two democratically elected and vocal political leaders of powerful African states, Nigeria and South Africa. Secondly, these developments unfolded at a critical juncture in Africa's history. The post-Cold War era, for example, opened more opportunities for democratisation processes in Africa. Yet unresolved, deep rooted tensions around identity, state building, natural resource plunder and increased space for political competition continued to feed a bewildering variety of violent conflicts. The continent's *Great African War* (1998-2003) contained a hybrid mix of all these ingredients. Kickstarted by unresolved cross-country security challenges that were

brought about by the genocide in Rwanda in 1994, the conflict spilled over into a regional war involving eight African countries (belonging to four or five Regional Economic Communities) fighting for a variety of interests and causes on the territory of the *Democratic Republic of Congo*. But it was also primarily African countries and institutions that were involved in brokering peace.

Against the background of this war and other violent conflicts Nigeria and South Africa were able to obtain the backing of other influential member states such as Ethiopia behind a reform agenda that envisaged to broaden the continental mandate to intervene in crisis and the institutional mechanisms to implement. Nigeria wanted to share the burden of peace operations in West Africa more broadly, and South Africa capitalised on the sense of frustration with the inaction at the UN level with genocide and war in Central Africa, all posing serious threats for peace and stability in the region and the wider continent. South Africa's political drive to find African solutions for African problems resonated with a broader concern about reducing the risks of regional spillovers of sticky violent conflicts in Africa. Libya's Colonel Gaddafi, through his hand-out diplomacy and strong anti-Western agenda, had orchestrated a separate group of countries behind a call for political union, or a *Union of African States*. But this alternative proposal was defeated.

A major breakthrough in the AU Constitutive Act (2000) was the article that shifted from a position of non-interference to a principle of non-indifference. While the AU maintained the core pan-African principles of sovereignty, territorial integrity and independence of member states, its new constitution also introduced two major exceptions. It authorised the AU to take measures against "unconstitutional changes of government" and provided the right to "intervene in a member state pursuant to a decision from the AU Assembly in respect of grave circumstances" such as genocide and large-scale violations of human rights (AU Constitutive Act, Article 4(h), 2000). In practice, the principle of "non-indifference" is balanced with the principle of sovereignty. This implies that the AU Peace and Security Council can call for an interventionist peace operation in a member country in case of grave circumstances, but the Assembly of Heads of State and Government has to finally authorise such intervention. When they are not unanimous, a three third majority of members can decide. So far, article 4(h) has never been applied, while attempts have been made. Yet, this has not prevented the AU to increase the number of peace operations and take sanctions against member states.

Careful consideration must be given to Africa's *swing states*¹⁰, as they contribute under certain circumstances to greater Africa-wide coordination or cooperation, but can also become major blockers. Post-apartheid South Africa, Nigeria, Kenya, Ethiopia and Libya before the downfall of the Gaddafi-regime are a few swing states that derive their power or influence from a combination of ingredients such as historical status (Ethiopia as the cradle of the OAU); ideological sway; diplomatic and political agility; economic, financial and military might, etc. Their influence should not be underestimated in the institutional context of the AU, which is characterised by a strong degree of informality, weak accountability and non-transparent arrangements. One such informal *rule of the game* relates to the election of the chairperson of the African Union Commission. There is a silent agreement that Africa's powerful countries refrain from championing their nationals for that position. South Africa broke that rule by actively and aggressively campaigning during the election of the third chairperson of the AUC. It used its diplomatic, economic, political and financial weight to influence the final decision in its favor (Taddele Maru, 2012), a victory that was never fully digested or accepted by a large number of member states as she was able to witness during her mandate as chairperson.

¹⁰ Sometimes also referred to as *hegemons*. Swing states refers to those states wielding a combination of relative diplomatic, economic, political and military weight or influence.

But size is not the only influential variable. Smaller member states have - at times - demonstrated an ability to weigh in complex decision making processes. In 2016, Burundi and Uganda managed to hold off AU sanctions against Burundi because of political violence and the intervention of a peace mission through the application of Article 4(h). Burundi contributes troops to the AU peace operation in Somalia, troops that Burundi would withdraw if the AU had imposed sanctions. Moreover, Burundi was - at the time of the decision - one of the fifteen members of the Peace and Security Council¹¹. This organ is tasked to formulate policy on such matters and present it to the AU Summit. Hence, AU members who fear sanctions or peace interventions jockey for positions in this organ to block such decisions. South Africa was strongly in favor of intervention, the more so as it had invested heavily and successfully in peace diplomacy and peace operations in Burundi at the beginning of the 2000s. But Burundi could rely on Uganda within the East African Community and within the AU to block these efforts. In the AU, there was no consensus on the use of Article 4(h), but neither was there an alternative two-thirds majority that subsequently required.

Rwanda has become another influential country on the continent, but albeit in entirely different ways as the other examples. In preparation of the Summit of January 2017, for example, President Kagame was asked to hold the pen of what became a report with proposed recommendations for a new round of institutional reforms. After South Africa's largely failed attempt at a major managerial transformation of the AU through its chairpersonship of the AUC, Rwanda introduced a very critical report on the nature of this failure. As mentioned, it criticised the ease with which decisions are taken at Summit level, without Heads of State and Government following through on their implementation¹². "By consistently failing to follow up on the implementation of the decisions we have made, the signal has been sent that they don't matter" (AU, 2107; p. 6).

3.2. The AU's peace and security architecture at work

In general, the AU has demonstrated resolve and some results on issues of security and stability. The pressure and interests of national ruling elites tend to play out more powerfully in this area than in other sectors (see section 4). These ruling elites - especially of influential states - will seek to create, find and use the levers of power at different levels (including in regional organisations and in APSA) when instability or violence threatens their hold on power. Hence, the conflict resolution and peacebuilding are the areas that are best institutionalised and supported within the AU. A substantial amount of time and energy of the Addis based permanent representatives of the member states and of the Heads of State and Government is dedicated to managing a wide variety of violent political and other conflicts on the continent. The bulk of the AU financial and human resources¹³ are targeted at managing violent political and other conflicts on the continent. It is the *sector* with most actions and the broadest spectrum of institutions involved in deliberations, peace operations, mediation, preventive interventions, emergency operations and remedial action.

Some violent conflicts are extremely sticky, with ever changing alliances, and with proxy forces that are often supported by neighbours. Global terror and how it spreads in Africa forms a major additional

¹¹ Burundi remained member of the Peace and Security Council despite a number of violations of the rules and regulations of membership of the PSC.

¹² A count in 2010 of legislative and policy frameworks, for example, amounted to 200 Assembly decisions, including 41 treaties and conventions that require ratifications by 15 member states in order for decision to become AU law. 16 out of 41 had not secured sufficient ratifications.

¹³ According to the World Bank, 60% of the AUC's subject matter experts are allocated to peace and security work (World Bank, 2014).

concern, and shapes many of the bilateral and continental alliances with major external players. In order to understand the nature of the challenges and the potential roles of the AU, each conflict merits to be assessed on its context specific characteristics. The interests, for example, of member states to engage in regional or continental conflict dynamics or peacebuilding efforts vary according to context, and shape their decision logics vis-a-vis regional and continental organisations¹⁴. Despite the many unresolved violent conflicts and the lack of results in the area of conflict prevention, the AU through APSA has demonstrated the capacity to act and intervene. The AU actions also contributed to further grow institutions and to obtain intermediary results in a number of violent conflicts. External support has partly made this possible, and these intermediary effects have encouraged further support. Burundi, Nigeria, Kenya, Ethiopia, South Africa, Uganda are but a few examples of countries contributing to peace operations.

This background paper illustrate three contexts and three types of country interests. APSA intervened through a combination of sanctions, peace operations and diplomacy. Each of the three cases highlights the interests at stake with different countries involved, the range of policy actions taken, and the variety of stakeholders and African and external institutions involved.

On sanctions - the cases of sanctions against Egypt and Burundi

The AU's Peace and Security Council sanctioned Egypt in July 2013 despite the fact that Egypt is one of the big five contributors to the AU budget (Dersso, 2014). This measure was a response to the military putsch in Egypt. South Africa played a strong role as a member of the PSC at the time. Meanwhile, Egypt has been readmitted. In the case of the illicit third time presidency of Nkurunziza in Burundi, the AU was slower to respond to the brutal, ethnically charged clampdown against opposition. Burundi was a member of the PSC and of the East African Community. The EAC initially took the lead with mediation with Burundi in a half-hearted manner (Fabricius, 2015). Later, the PSC called on the AU to send peace troops to Burundi. This was, however, blocked by the AU Assembly, despite the call of the AUC chairperson to support the PSC decision and despite alarming reports from other AU organs¹⁵. Burundi was able to play out different regional organisations (the East African Community and the AU) against one another, it could rely on an influential neighbour (Uganda), its membership of the PSC, the animosities between various neighbours in the region and its substantial contributions of troops to the AU's peace operations to hold off AU sanctions and interventions. Numerous diplomatic interventions by the PSC have not yet resulted in the promised deployment of observers, but diplomatic efforts at containment and de-escalation continue (Bouka, 2016).

On peace operations - the case of the African Standby Force (ASF)

Ever bigger numbers of African peacekeepers are mobilised in UN and AU peace operations. Still, not all systems and structures are in place to implement the troop deployment decisions by the AU. The African Standby Force was already agreed on in 2003. Five regional standby capabilities of 5,000 personnel each would be established with a rapid deployment force per region of 2,500 personnel. Both could be activated by decisions of the PSC. This has not been realised yet. In the absence of this standby force capability, the AU has deployed operations in eleven African countries along four different deployment scenarios as of 2015. The development of such deployment capacity in the five regions has been uneven, but nevertheless the AU has demonstrated an ability to enable second best collaborative arrangements

¹⁴ Generally speaking, ruling elites perceive the risks of inaction with the outbreak of violence or instability in neighbouring countries more easily than say the costs of of failed joint infrastructure development as the costs of likely spillover effects from violence are immediate and highly visible.

¹⁵ The African Commission on Human and Peoples' Rights sent a fact finding mission in December 2015 and presented a "damning report" (Bouka, 2016, p. 34).

with member states and RECs. Rapid troop deployment, however, remains problematic. The failure to deploy rapidly in violent crises in Mali and the Central African Republic has reinvigorated those member states that call for an alternative standby arrangement through the *African Capacity for Immediate Response to Crisis Initiative*. This is a competitor in some ways, as it is mainly sponsored by South Africa out of impatience with the lack of continental progress. Thirteen other African countries support it, but Nigeria opposes.

On the challenge of *muddling through* - the case of the Lord's Resistance Army (LRA)

The violent conflict that the Lord's Resistance Army (LRA) started in Northern Uganda forty years ago, has turned from a localised rebellion that was rooted in postcolonial politics, to a regionalised low intensity conflict. This conflict was fuelled by a range of non-state actors, and could easily spillover in the region of Central Africa due to inter-country enmities and the differing vested interests between various ruling elites in the Democratic Republic of Congo, the Central African Republic, Sudan, South Sudan, and Uganda. Some of the national level political economy dynamics explain the difficulties at AU level to reach agreement over the application of its principles of *collaborative security* and *subsidiarity*. An overview:

- Uganda: after military campaigns against the LRA had driven the rebels to South Sudan, Ugandan priorities shifted in terms of security and troop deployment to fight the terrorist threat of Al Shabaab in neighbouring Somalia. There were also strong incentives for Uganda in terms of further placating US military and security interests and in terms of better payments for Ugandan soldiers as part of the AU mission in Somalia.
- DRC: initially, the DRC government did not invest in resolving the LRA rebellion on its territory or in regional cooperation because the conflict was far removed from the capital and did not pose a threat to the regime in Kinshasa. Once the regime became concerned about the Ugandan troops on DRC territory (and their reputation for capturing natural resources) it instructed them to leave the territory.
- Central African Republic: CAR became heavily involved in the LRA conflict as of 2009. It allowed Ugandan troops to fight the LRA on its territory, until the regime asked them to leave out of fear for plunder in a diamond rich region by these troops.
- Sudan and southern Sudan: Uganda has supported secessionist rebels of the Sudanese People's Liberation Army in neighbouring Sudan. Uganda has strong interest in southern Sudan, where over one million Ugandan citizens live, invest, work and trade (Fisher, 2014). Sudan is being accused of harbouring or supporting the LRA, which it denies (Dersso, 2014).

While the DRC, CAR and South Sudan had an interest in an AU peace operation in the region, other countries like Uganda were reported to have opposed it as it could undermine their own influence.

4. On the political traction for regional cooperation in other sectors

The history and evolution of the AU is strongly tied to the evolution of violent conflict and responses from swing states to these conflicts. In the area of peace and security a whole range of member states and actors have an interest and face strong incentives to engage with the AU, resulting in a number of cases to desired outcomes, and leading to - admittedly slow - further institutionalisation of Africa's peace and security architecture. But how do member countries perceive their interests in other sectors or areas of the vast AU agenda? What incentives do they face to engage with AU institutions in particular policy

areas? What constitutes political traction for continental cooperation through the AU, and hence for its relevance?

From the PERIA study, findings of two major sector programmes - infrastructure and agriculture - are presented as they help answer the above questions, answers that may provide pointers for a further discussion on the desired direction for further AU reforms and external support.

4.1. Political traction in transfrontier infrastructure development

In 2012, the AU Assembly agreed on the *Programme for Infrastructure Development in Africa (PIDA)*. The programme consists of a list of 51 transfrontier infrastructure development initiatives in Africa, as well as a process of sensitisation to attract public and private domestic and foreign finance. Through a largely technocratic vetting process, 51 cross-country programmes were selected. These programmes consisted in total of more than 470 smaller projects with a combined investment portfolio of US\$68bn and to be finalised by 2020. Despite the stated bottom-up process and the presumed country ownership behind PIDA, this case reveals the difficulties for this type of continental initiative to operate in such ways as to attract political and private sector engagement behind its objectives by looking at sector characteristics in infrastructure development and to the incentive environment of private sector stakeholders.

Sector related political economy features

There has been lots of talk about the vastly increased financial flows and commitments to Africa's infrastructure sector. Yet, a one-sided view on real and planned money flows obscures some of the political economy drivers and obstacles to cross-country infrastructure development in Africa. A closer look at the *sector* characteristics of transnational infrastructure development reveals the political, governance and technical challenges that primarily national governments need to overcome, or the risks they will have to assess and address. These risks include violent conflicts and political instability in certain regions in Africa. In fact, managing the risks of political or regime change is proper to infrastructure projects, which usually take a long time to mature, sometimes spanning several electoral cycles.

Other hurdles and risks relate to finance, technology, regulatory environment, and governance and politics. A few examples (World Economic Forum, 2014):

- Financial challenges, beyond the question of volume, include difficulties in getting participating countries to agree on sharing risks, on costs and benefits and on who is to implement the agreement. One specific type of issue relates to difficulties in calculating future revenues and costs in such multi-country projects and the partitioning of uncertain costs and benefits.
- Technical challenges include the difficulties in aligning different technical standards as applied in different countries. A telling example is the differences in rail gauge between African countries, largely a result from the preferences of the coloniser.
- Regulatory challenges include the need to create regulatory and enforcement agreements. Even if such agreements are in place, there is still the issue of implementation and in multi-country settings this often requires effective regional organisations.
- Governance related challenges can be hard to overcome when they relate to unaligned national agendas - with diverging degrees of political, technical and financial support. So country ownership is an important condition, but even when such country commitment to a particular infrastructure programme is demonstrated at the beginning of the programme cycle, it may evolve due to changes in government.

These challenges and risks are context specific, and often further complicated by variations in how infrastructures are structured across countries, and the number of countries involved. This number is usually high in Africa. Numerous agencies or ministries will need to be coordinated - with distribution of responsibilities and sharing of risks that are usually asymmetrical, involving cross-border complexities. Furthermore, challenges and risks differ according to the characteristics of distinct infrastructural programmes. Investments in roads differ from those in dams, or in Information and Communication Technology. Cross-border infrastructure programmes, for example, that involve one single infrastructure facility pose particular problems as the costs and revenues cannot be easily split, or even calculated.

Mobile telecom in Africa is a subsector that has attracted successfully private financing since 2005 (Gutman et al., 2015). Mobile telecom is not a “pure” public good, i.e. users who do not pay for the services can be easily excluded. This characteristic creates incentives for investors, as these are somehow reassured about returns on their investments through generated income as the *freeriders* can be excluded. Other sector characteristics to consider relate to the phases of the lifecycle of a particular project as the risks and challenges alter during the origination, preparation, implementation and feed-back phases. Risks and challenges are particularly concentrated in the project preparation phase. A survey on the multitude of Project Preparation Facilities in Africa highlighted that despite the numbers of such facilities, the hard and tedious preparatory work and quality support for project preparation was highly insufficient to move from idea to implementation (Infrastructure Consortium for Africa, 2014).

National level dynamics

During the selection process of the 51 programmes, PIDA relied heavily on a consultants driven approach with allegedly little space to engage with the appropriate key actors at national level, both from the private and from the public sectors (PERIA 2016). The promoters of PIDA too easily assumed that with presidents signing on the dotted lines, there would both commitment, bureaucratic and private sector capabilities and resources to fully engage in the complex implementation of cross-border infrastructure projects. Presidential sponsoring of one or other PIDA programme, or provisions to monitor progress in the project cycle by a virtual information centre could not alter the incentive environment in such ways as to overcome the institutional shortcomings for implementation. The traction in countries involved with the following PIDA programmes illustrate a number of typical political economy variables or sector characteristics:

- *Central Corridor* (involving Tanzania, Rwanda, Uganda): the World Economic Forum was attracted to this project mainly because of its inherent merits. These included the presence of a functioning Special Purpose Public Agency, the small number of countries at the core of the programme, the relatively high scores on government effectiveness of the countries involved and their strong alignment of interests.
- *Abidjan-Lagos Coastal Corridor*: ECOWAS and the countries involved - Cote d'Ivoire, Ghana, Togo, Benin and Nigeria - already supported this infrastructure programme before it was adopted by PIDA
- *Grand Ethiopian Dam*: PIDA propagated this project as a success. Egypt, until recently, was vehemently against, and it is a surprise that this national project on the River Nile, of great strategic importance to Ethiopia, has made it on the PIDA list. The country's diplomatic prestige, political astuteness, the likely impact on regional energy distribution and its relevance in terms of climate change objectives may have been push factors. The initial funding was realised through domestic resource mobilisation and not through PIDA links.

In other words, it has been difficult to find concrete examples of added value through PIDA in terms of its contributions to multi-country infrastructure development, and additional internal resource mobilisation. Hence the conclusion that PIDA seems to enjoy more support among donors than among AU member states, which thus far have not been overly energetic to finance PIDA initiatives.

Research on transport corridor development in West and Southern Africa confirms the importance of national level drive behind cross-country cooperation around infrastructure development. As the cases of the Abidjan-Ouagadougou and the Maputo Development Corridor confirm, this involves attention for hard and soft infrastructures, the presence of high level political buy in to overcome coordination failures, bureaucratic and private sector buy-in, as well as a conducive incentive environment, critical junctures and facilitators that can help adapt to context and navigate hurdles. Especially in the case of corridor development in West Africa donors attempt to harmonise their support behind these efforts (Byiers and Vanheukelom, 2013, 2014, 2015; Hoffman and Brenton, 2016).

4.2. Political traction in agriculture and food security

The AU's Comprehensive Africa Agriculture Programme, CAADP, is ten years older than PIDA, and only partially addresses cross-border or regional dynamics. Different from PIDA, one can say that the main drive for this continental programme was generated by the AU. CAADP was reconfirmed it as a central pillar in 2013 (Malabo Declaration). In essence, it is a continental programme of the AU and the NEPAD Agency¹⁶ with basically three layers of actors. In essence, CAADP encourages national governments to engage in national agricultural transformation and food security. It also promotes Regional Economic Communities to engage in regional efforts such as regulatory reforms and investments. And thirdly, CAADP sought to mobilise support from external players. During an initial phase it sought to attract massive investments, an attempt that failed. Subsequently, it mobilised support through a Multi Donor Trust Fund¹⁷. This section has benefited from a detailed study of country level implementation of - and involvement in - CAADP (Poulton et al., 2014), which provided useful political economy insights in the political traction - or the lack thereof - with ten countries.

The CAADP process, launched in 2003 only gained traction five years later due to the food price crises in Africa that also gave rise to food riots in numerous African cities. There are a few other explanators as to how and why countries have responded to the CAADP process. One can distinguish three types of countries and responses. First, there are those countries where political elites "recognise they could be vulnerable to (eventual) overthrow if they do not generate broad based benefits for rural populations, i.e. the poor majority" (Poulton, 2014; p. 3). This category includes Rwanda and Ethiopia. Tanzania, Mozambique and Kenya belong to a second category of countries, with weak political incentives for public authorities to invest in smallholder agriculture. An in-between category consists of countries with some build-up of domestic political pressures to invest in smallholder agriculture. Malawi, Ghana and Burkina Faso are examples.

Country level research suggests that the political drive behind agricultural reforms in Rwanda and Ethiopia was such as to enable both governments to engage actively with the CAADP process to draw out a number of benefits. **Rwanda** was the first country to sign up to the CAADP Country Compact in 2007. This was also the year that it reached one of the CAADP targets, 10% spending on agriculture.

¹⁶ See also the PEDRO background paper on NEPAD

¹⁷ This section has benefited from a detailed study of country level implementation of - and involvement in - CAADP (Poulton et al., 2014), which provided useful political economy insights in the political traction - or the lack thereof - with ten countries.

President Kagame had already kickstarted the CAADP process in 2005, a year of extremely poor harvests and the threat of hunger. He relied on CAADP to make a stronger case within government and with donors. The latter prioritised social spending rather than riskier agricultural investments with only medium term results to show for. Through the effective cooperation with the NEPAD Secretariat, Rwanda obtained additional support to strengthen the agricultural policy process. The ruling elite sees its political survival and stability as dependent on broad based poverty reduction, a broad base that ethnicity based patrimonial policies could never generate, but agricultural transformation can.

Similar logics apply in the Ethiopian case. **Ethiopia** signed up in 2009, the fourth country to do so. By 2010 it was spending above the 10% CAADP target. The government invested in smallholder production, but also in employment creation through investments in large-scale agriculture. Furthermore, the regime sought to instrumentalise CAADP for mobilising additional donor funding for its agricultural policies at a time that it was criticised for a violent political clampdown on the opposition (2005). Agricultural policies and the CAADP framework provided a conduit for re-calibrating the cooperation with donors.

Donors also played an important role in shaping the incentive environment in the post-food crisis period. In 2009, the G-8 committed to support the agricultural sector in Africa with a massive US\$20bn. In line with the *principles on aid effectiveness* that were agreed in Paris (2005) and in Accra (2008) the G-8 decided that aid should flow through “country led processes”, with explicit reference to the CAADP framework as an “effective vehicle for ensuring that resources are targeted to a country’s plans and priorities” (AFSI 2009). Yet external support did not alter the incentive environment in African countries sufficiently to convince ruling elites to prioritise agricultural reforms. The prospects of additional resources or rents¹⁸, however, resulted in “plan development” that responded to the new donor conditionalities in agriculture. In order to secure new donor funding - or not to lose out on it - countries signed up to CAADP, even when implementation was not their intention.

The weak political incentives or traction with many governments to improve agricultural performance combined with the donor involvement and promises resulted in many agricultural strategies turning into ‘catch all’ lists that comprised unrealistic *wish lists* of the government combined with the preferences of donors (Poulton et al., 2014). This perspective can help explain the gap between policy promises and plans on the one hand, and the lack of policy implementation on the other.

5. Conclusions

The institutional reforms introduced by the transition from Organisation of African Unity to the African Union at the beginning of the new millennium have created the African Union Commission as a central administrative pillar of the AU Organs. These reforms also broadened the mandate and expanded the policy agenda substantially. In barely fifteen years, the AU has managed to develop a global presence, acts as the political champion for the continent, and has rallied regional organisations and the 55 member countries behind the aspirational *Agenda 2063*, an aspirational blueprint of where the continent wants to be in less than five decades.

¹⁸ One such multilateral mechanism - the US\$1bn *Global Agriculture and Food Security programme* - provided country-level finance in return for a CAADP investment plan, but without the obligation on candidates to also implement it.

When South Africa's Nkosazana Dlamini-Zuma was elected in 2012 as the new chairperson of the AUC - the first time a representative of a swing state took on such powerful position - she advanced a programme to reform the Commission in major ways. One way was to slim down the agenda by introducing comprehensive administrative reforms to improve, among other things, results based planning, budgeting and management. And the other was to broaden the domestic resource base of the continental body. The Kagame report admitted that these reforms and its "recommendations have remained largely unimplemented" (AU, 2017: p. 17). This sobering message makes it especially relevant to ask questions about the AU's political traction, the interests of member states, and the areas in which it can deliver on continental objectives and development outcomes.

The AU has been effective in developing the institutional and organisational peace architecture of APSA to deal with a number of violent conflicts and political crises on the continent. This architecture was effectively mobilised to sanction unconstitutional transfers of political power, prevent conflicts and organise peace operations. In the new millennium more than 50 peace operations have been undertaken in 18 African countries. In general, peace and security is the policy area where member state interests are much more aligned behind the continental peace architecture as the risks of non-action may be dangerous and costly for sitting governments. Powerful swing states tend to mobilise different channels to influence outcomes in particular conflicts. Yet there are many violent conflicts that remain hard to resolve, even with full involvement of these swing states. This then underlines the relevance of the AU through APSA playing a role.

The political traction in the other sectors studied in this background paper - transnational infrastructure development and agriculture/food security - has been less pronounced. Unlike peace and security, there have been few member states that take a lead in driving these continental programmes. On the contrary, national level government leaders have voted in support of both sector programmes of PIDA and CAADP at the AU Summit, without ensuring measures and institutional arrangements to implement them. Moreover, there are no reputational risks, sanctions or other costs for member states that don't implement agreed policies in these areas. Government leaders tend to find these policy sectors less politically compelling than engagement in instability and conflict. They generally find it hard to demonstrate the immediate positive benefits of regional action, or fail to see the costs of inaction in these sectors. In contrast to peace and security, these sector characteristics in agriculture and infrastructure may make them less amenable for implementation or for regional cooperation through the conduit of the AU.

The study has also identified external factors that affect the domestic political economy environment. These include the influence of donors and of critical junctures or crises. In the case of CAADP, the AU member states endorsed this continental programme at the highest level. It took, however, an external event to trigger more energetic responses at national and regional levels. The increased food prices in 2007-08 gave rise to food riots in 14 African countries, which raised the level of interest among a number of member states and RECs, and increased the number of member countries to sign up to CAADP. While signing up was relatively easy for member states, the actual implementation of the CAADP agenda proved to be more difficult. In fact, two sets of incentives were at work that need to be distinguished and recognised. First, the promise of additional donor resources in return for achieving CAADP targets created incentives for ruling elites to engage in superficial agricultural reforms and *plan development* rather than in the hard work of structural transformation. Secondly, there were the political incentives faced by a number of ruling coalitions to engage in such structural reforms of the agricultural sector in order to preserve their hold on power. Two countries with a strong political drive behind agricultural reforms – Ethiopia and Rwanda – engaged constructively with CAADP for the additional opportunities it offered in terms of funding and legitimisation.

Strong country buy-in also proved to be crucial in transnational infrastructure development. The case of the AU flagship programme of PIDA highlighted that few additional financial resources have been mobilised through PIDA from member states or from external partners. Its design proved to be overly technocratic and top-down, with little involvement of the key private and public actors that are needed for the financing of infrastructural regional public goods, or their future use. Many of the transnational projects that were selected on the PIDA priority list, existed independently from PIDA. Hence, the additional traction through the continental PIDA programme is being questioned.

The three sector cases remind of the importance in the ongoing AU reform process to mold institutions that are “fit for purpose” in order to strengthen the political traction of the AU, as the Kagame report highlighted in its introduction.

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