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EXTERNAL COOPERATION AND THE WORK OF SADCC: Some Notes and Annotations

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Regional self-reliance is not inconsistent with our desire and need to seek the co-operation of 'the peoples and governments of the many countries who are interested in promoting welfare, justice and peace in Southern Africa and the international agencies who share this interest'. The declaration is specifically addressed to them as well as to the people of Southern Africa. Economic liberation, designed and implemented by Southern Africans, can proceed more rapidly and be more effective within a framework of co-operation.

- President Sir Seretse Khama

It is envisaged that Southern African Development Co-ordination meetings of member Southern African States and other invited participants should be held annually. This will provide a mechanism for surveying results, evaluating performance, identifying strengths and weaknesses and agreeing on future plans. Economic liberation and development in Southern Africa cannot be attained either easily or speedily. What is therefore needed is sustained co-operation.

- Lusaka Declaration

## What Cooperation Does SADCC Seek?

Certainly co-operation in the provision of <u>finance</u> - particularly to cover the direct and indirect <u>foreign exchange cost</u> of projects in the co-ordinated sectoral programmes.

And also technical assistance in respect of SADCC technical units (e.g. the Southern African Transport and Communications Commission), studies and secretariat as well as prefeasibility, viability and design studies linked to particular projects.

The need for external financial and technical cooperation is increased by the nature of the projects in SADCC's Programme of Action. Because these in general directly affect more than one member and are better proceeded with in a co-ordinated framework than individually they are on average larger, more technically complex and more import intensive than the typical national development project.

However, SADCC's concern with co-operation is broader than simply requesting financial and technical assistance in three respects:

First, it wishes to engage in serious discussion of its programmes and of the experience of co-operating parties <u>interaction</u> with them as well as presentation and discussion of progress reports and new proposals.

Second, it is critical to SADCC to secure more external co-operation - in deeds as well as words - in <u>restraining</u> South African economic destabilisation and armed intervention.

Third, SADCC - while not itself a venue for general discussion of global economic or continental weather conditions - does desire to be able to make clear the impact of such contextual factors on its members' economies and the implementation of its co-ordinated action programmes.

It is for these reasons that - beginning at the pre-founding Arusha Conference in 1979 - SADCC has established the only regular multinational cooperation conference fully organised, documented and serviced by the developing country side and has placed more emphasis than most operational

cooperation conferences do on dialogue, discussion and exchange of ideas and suggestions.

# Why Does SADCC Seek External Support?

SADC believes the objectives it has set out in the Lusaka Declaration deserve and will receive international understanding and support.

In respect both to restraining South African aggression and in mitigating the effects of near continental drought and post 1979 global economic events' impact on the regions external support is crucial.

Technical assistance and financial flows to projects will allow speedier implementation of SADCC's Programme of Action than would be possible in their absence. It is a simple fact that all SADCC member states are poor - several of them very poor indeed -, all have limited technical and high level personpower capacity and almost all suffer from severe foreign balance (or absence thereof) constraints.

SADCC also believes that exchange of ideas and experiences together, review of past results and future proposals can accelerate development. It has never seen economic liberation and reduction of dependence as implying autarchy. Both trade and other links, after all, tend to be greatest among high income, personpower and technical capacity economies with relations characterized by interdependence. Nor is regionalism — e.g. the EEC — normally seen as the enemy of wider international participation.

#### Cooperation with Whom?

SADCC seeks co-operation with all who wish to and are able to act together with it and its member states in implementation of concrete projects and programmes within the framework of the Lusaka Declaration and SADCC Programme of Action. This is true whether they are North or South, East or West, international agency or state or non-governmental organisations, public or private.

Initial co-operation has been largely with governments and international development agencies because they are a major source of finance and technical assistance and have the leverage to deter South Africa from continued destabilisation and aggression. This is likely to continue to be the pivotal element in co-operation.

But SADCC has begun to build up co-operation with enterprises and with ngo's and will continue to explore how to broaden the initiatives begun this year at the Harare Industrial Sector Workshop (with enterprises) and the NGO Conference held by the ngo's just prior to the Lusaka Annual Conference. SADCC believes cooperation to be based on perceived common interests more effectively pursued together and, in respect to particular projects, is well aware that this principle can and should mean cooperation with enterprises and ngo's as well as governments and intergovernmental organisations.

### Cooperation on Whose Terms?

SADCC is perfectly willing to discuss projects, programmes and procedures with any actual or potential cooperating party. The comments and suggestions may well be critical and/or suggest rethinking. The condition is recognition that SADC is responsible in respect to its programme and the objectives it serves through its member states to the peoples of Southern Africa and therefore decisions on goals and programmes must be taken by SADCC.

SADCC fully recognises that some cooperators will wish to concentrate support on certain projects, sectors or states. Equally some may feel the design of certain projects or programmes to be such that they cannot support them. While SADCC wishes to discuss such questions with a view to convincing cooperators to take broader or altered views, it fully recognises that they too must ultimately decide for themselves.

What SADCC rejects are discriminatory aid and project design or strings which would warp its overall programme or erode regional solidarity. To specify positively what projects or parts of projects a cooperating party can and will support is acceptable. To state support in terms of which

SADCC members are <u>not</u> to benefit from it - as the 1984 Gaborone Summit emphatically underlined - is <u>not</u> acceptable. To suggest redesign of projects or rethinking of programmes is quite acceptable (even if not all such advice will be taken) but to argue for total alteration of national strategies or to put up 'regional' proposals without reference to the agreed SADCC priority list is <u>not</u>.

### Through What Procedures?

Procedures in co-operation with SADCC and its Programme of Action may require exploration because SADCC is a co-ordinating process not a supranational institution.

Projects in sectoral priority programmes are proposed, discussed, included and ranked (or deferred or dropped) by member states. The resultant sectoral programmes are then presented at Annual Conferences and/or sectoral workshops. The coordinating country for each sector and its sectoral technical unit or Commission has a continuing responsibility for assisting in locating potential cooperation partners and, if asked, in technical assistance to further project design and to assist in negotiations.

However, for the vast majority of projects, actual negotiations on provision of technical assistance or finance are with individual member states because they are responsible for implementation. This includes negotiation of technical assistance to coordinating units (other than SATCC which is a separate legal negotiating entity and the central Secretariat).

Regional studies to be carried out by or for a sectoral coordinating unit are normally negotiated with the coordinating country. In the cases of agricultural research and energy today and possibly other sectors in the future certain operational projects (e.g. millet and sorghum research, petroleum sector specialised training institute) are also handled in this way. The co-ordinating country in such cases is acting within a programme format and terms of reference set by all SADCC member states, and may on

occasion need their approval for draft agreements, but for procedural efficiency it is empowered in such cases to negotiate on their behalf.

#### What Procedural Problems Exist?

SADCC - and its coordinating units and member states - do find the road from initial rough pledges or statements of interest to identification of projects of specific interest to agreed project design to technical or financial assistance agreement to disbursement is often rather long and complex.

While recognising that external cooperators doubtless find multiple procedures on the side of recipients of transfers confusing and tedious, SADCC has pointed out that the multiplicity of slightly divergent procedures, requirements and formats - and especially of inflexibility in their use - places very great strains on their technical staff and delays reaching the operational stage. More frank and flexible discussion is needed.

Similarly SADCC recognises the value of feasibility and design studies. However, the tendency in some agencies to proliferate study upon study and studies of studies does seem rather overdone. Further, agencies which decline to accept any studies other than those commissioned by them — or on terms agreed with them in advance — should recognise that this both deters project proposers from carrying out full studies before approaching them and often causes costly delays through replication of work.

None of these points is, of course, unique to regional cooperation or to SADCC. Certain special points do relate to regional cooperation. Some agencies do not seem to have clear guidelines or procedures for relating either to regional organisations or, more particularly, to projects included in agreed regional priority programmes. Others do have regional programmes but in selecting projects to be financed by them do not always seem to take account of the priorities set by the states of the region in their organisations nor to consult adequately with these bodies. This can be a recipe for friction and - whether intentionally or not- undermining regional cooperation and priorities in a way ultimately damaging to both

the member states and external cooperators (as it was in East Africa). To avoid this happening by inadvertence, requires closer liaison between "regional" units or contact points in external cooperating bodies and the relevant SADCC bodies including sectoral coordinating units.

# What About Nkomati, Lusaka and All That?

From SADCC's point of view this is an odd and overemphasised question. In the first place the Lusaka Declaration pre-dates the 1980-83 upsurge of South African economic and military aggression. The need to reduce dependence on South Africa to make possible development was valid before and will remain valid after that aggression. Much of it is based on costs — to use South African land and sea routes costs Zambia, Zimbabwe and Botswana a sum at least of the order of \$100 million in excess of the cost if they were able to use routes to Lobito Bay, Maputo, Beira, Ncala, Dar es Salaam and the ports of independent Namibia. Second, South African aggression has not been ended — South African troops remain on the soil of Angola, the MNR continues its banditry, economic pressures have by no means been ended.

SADCC's position was made clear at the 1984 Gaborone Summit:

- a. the need for reduction of dependence on South Africa to achieve develoment is at least as critical as in 1980;
- b. the need given the lessons learned as to how much economic damage South Africa can do and is prepared to do - is even more urgent now than it seemed to be in 1980;
- c. the end of armed aggression by South Africa if it does end will facilitate implementation of many critical SADCC projects especially in transport and energy if external technical and financial cooperation is forthcoming;
- d. lessened RSA economic pressures if they are lessened will facilitate a more orderly and less costly process of dependence reduction;
- e. contrary to the wishes at least one cooperating country expressed after the 1983 United Nations resolution endorsing

SADCC (and to the fears several others expressed more recently) SADCC views the idea either of RSA under apartheid rule becoming a SADCC member or of some negotiated economic cooperation agreement between RSA and/or its "Constellation" and SADCC as so totally inconsistent with SADCC's goals and the needs of its member states as to be both impossible and absurd.

President Nyerere's speech at the 1984 Summit is relevant:

. . . .

Through a combination of threats and promises it (South Africa) is now trying to divert the attention of SADCC members from their long-term future of less reliance upon South Africa. It wants them to aim at the mirage of quick economic prosperity in co-operation with apartheid....There is no basis for cooperation between apartheid in South Africa and SADCC countries....Apartheid remains immoral, and any support given to South Africa is immoral.

These remarks were not - contrary to the interpretation placed on them by part of the press - a critique of SADCC members. They were a restatement of SADCC's position as it was before and remains after Nkomati and Lusaka. They were to reassure Southern Africans and to make SADCC's position clear to cooperators. If they were directed against anyone - other than South Africa itself - they are those against whom the late President Khama warned in 1980:

The tactics of opposition will vary. Perhaps the most dangerous will be that of false friends who will whisper in southern African ears that the road chosen is too difficult, that fellow southern African states are not trustworthy, that the struggle is not worth the effort. Their purpose is clear - to destroy our solidarity and to divide southern African states.

## What Next?

SADCC's experience with external cooperation has to date been positive. Clear intimations of future support began in 1979 at Arusha, substantial pledges in 1980 at Maputo, review of ongoing operations in 1981 at Blantyre, of substantial work in progress in 1983 at Maseru and of very large amounts flowing to projects under implementation and of a not insignificant body of completed projects in Lusaka in 1984. The needs are to build upon an existing base, to speed up and to augment an ongoing flow, to reduce points of friction and to narrow areas of misunderstanding. The problems are those of a rapid start and of partial success not of failure to get off the ground or of grounded programmes.

A number of points do arise in terms of augmentation:

- more technical and financial support (doubtless not a plea unique to SADCC);
- 2. more speed in moving from initial pledges to agreed projects to operational agreements to disbursement;
- 3. more flexibility and less complexity in procedures and, especially, more care in discussing procedural issues with a view to limiting or resolving technical difficulties;
- 4. willingness to consider in the SADCC context a broader range of projects and/or countries than may be encompassed in normal bilateral programmes;
- 5. more support for critical rehabilitation projects in respect inter alia to the transport systems flowing to and from Lubito Bay, Maputo, Beira, and Dar es Salaam (including pipeline and fuel storage facilities);
- 6. clearer regional contact points in external cooperating bodies not now having them and formulation of their regional priorities and project selections in Southern Africa after consultation with appropriate SADCC units:

7. more innovative and provocative proposals such as those at Arusha in 1979 which led directly to broadening the original research focus of the proposed agricultural coordination programme to encompass food security more generally, the Nordic sectoral paper on agriculture and the European Commission survey of key issues at Lusaka in 1984.

In each area there are doubtless things SADCC should do and real problems - whether substantive or procedural - to be overcome. Given the view which SADCC takes of cooperation it is clearly quite ready to enter into discussions on what it might do to facilitate these results and what cooperating partner perceptions of obstacles to their attainment and ways of overcoming them are.

Professor Green was a member of the SADCC technical preparatory committee over 1978-80 and is a co-opted member of SADCC's Liaison Committee. However, the analysis, views and conclusions of this paper are his personal responsibility and are not necessarily those of SADCC.