

SRMUN Atlanta 2015
*Unifying Our Global Community through
Humanitarian Collaboration*
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Atlanta, GA
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Esteemed Delegates,

It is with immense excitement that I welcome you to SRMUN Atlanta 2015 and the African Union (AU)! My name is Desiree Kennedy, and it is my honor to serve as your Director. I have collaborated with my Assistant Director Steven Benitez to create a document for your utilization throughout the process of committee preparation. Steven and I have high hopes for each of you, and are looking forward to a committee filled with prepared delegates dedicated to developing comprehensive solutions for the topics at hand.

The African Union was founded in 1999 as the succeeding body to the Organization of African Unity to provide a framework that allows for a feasible and accelerated integration process within the African continent. The primary goal of the AU is to develop Africa as a unified and integrated power, capable of growth and expansion that places African Member States in the international economic realm. Keeping in line with the SRMUN theme, “Unifying our Global Community Through Humanitarian Collaboration,” throughout the conference, delegates will be responsible for discussing and creating resolutions that aim to achieve the AU mandate in regards to the following topics:

- I. Furthering Agenda 2063: “Building a Prosperous Africa based on Inclusive Growth and Sustainable Development”
- II. Revitalizing the Effort to Promote African Financial Integrity

Each delegation is responsible for submitting a position paper that addresses and outlines their Member State’s policies and positions based on the two aforementioned topics. These position papers are your opportunity to showcase the positions, programs, policies, and recommendations for change from your Member State and serve to prepare you for conference as the foundation of your research. Each position paper should discuss both topics, be no longer than two pages, and single spaced. For more detailed information and formatting guidelines, delegates are encouraged to visit the SRMUN website (www.srmun.org). All position papers must be received by **11:59 PM EST on 30 October 2015** via the SRMUN website.

Steven and I wish you the best of luck in your preparation for SRMUN Atlanta 2015 and look forward to seeing your work come to life in committee. We look forward to meeting you this coming November! Please feel free to reach out to us should you have any questions or concerns.

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The Committee History of the African Union

The African Union (AU) was first introduced at the Sirte Declaration on September 9th, 1999 by the Organization of African Unity (OAU) in hopes of providing a feasible and accelerated integration process within the African continent. The OAU's primary goal is to develop Africa as a unified and more centralized power, capable of growth that will establish the African Region as a strong player in the international market.¹ The Constitutive Act of the African Union, adopted in the year 2000 at the Lome Summit in Togo, was the driving force that led to the establishment of the AU in 2001.² The Constitutive Act was simply a plan on how the OAU would implement and integrate the AU in all efforts of African growth. It was not until 2001 that the African Union officially held its first assembly at the Durban Summit.³ The AU focuses on many areas of African interest on both a regional and international scale. Internationally, the AU focuses on becoming a more relevant character in the global economy, while regionally; their agenda addresses social, economic and political obstacles that hinder the African continent from exponential growth opportunities. Addressing multifaceted social, economic, and political problems are among the greater focus areas of the AU.⁴

The ultimate success of the African Union is dependent on how the organization incorporates its values into clear set goals and strategies to surpass that of the OAU. The mission of the AU is to establish an efficient and improved institution that will drive "the African integration and development process in close collaboration with African Union Member States, the Regional Economic Communities, and African citizens".⁵ A strong collaborative effort throughout the AU, with support from other bodies within, is what drives its success. The AU is constituted by several different committees, such as the Peace and Security Council (SC) and the Economic, Social, and Cultural Council (ECOSOCC). These committees, each tasked with a different area of focus on issues integral to the African region, effectively work towards the ultimate goal of success of the AU.⁶ The Peace and Security Council has been a great contributor in alleviating and mitigating the effects of conflict throughout the regions most troubled areas.⁷ Unlike the OAU, who was bound by the 'Doctrine of Non-Interference' in the internal affairs of Member States, the AU has the power to interfere and promote democracy, even if that means, using military force in situations where genocide or crimes against humanities may be taking place.⁸

As a successor to the OAU, the AU is also faced with the task of decolonizing the African continent. However, decolonization in Africa is much more than a process of developing the continent as a whole. Decolonization in Africa began with European rule post World War II, when African leaders gained European support to shape the economic, political and cultural characteristics of the colonies.⁹ Over the next few decades, many African leaders opposed European powers, while others worked alongside them to protect personal, political, and economic interests. This, in turn, left a European legacy within the national borders, political infrastructures, education systems, national languages, economies, and trade networks of each Member State.¹⁰

One of the greatest levels of support for the development of a Member State is found within its sustainability. The AU's objective and goals are centered on the development of African States through peace and security.¹¹ Among the many segments contributing to the full vision of a sustainable union, socioeconomic development is also a focus of improvement within the African Union. Within the Constitutive Act of the AU there are areas that highlight what responses are necessary for improving the socio economic development across the region.¹²

¹ "AU in a Nutshell," African Union, <http://www.au.int/en/about/nutshell> (accessed March 17, 2015).

² Ibid.

³ Ibid.

⁴ Ibid.

⁵ "Vision and Mission," African Union, <http://www.au.int/en/about/vision> (accessed March 17, 2015).

⁶ Franklyn Lisk, "The African Union after 10 years: Successes and Challenges," University of Warwick, July 2012, http://www2.warwick.ac.uk/newsandevents/expertcomment/the_african_union/ (accessed March 18, 2015).

⁷ Ibid.

⁸ Ibid.

⁹ Benjamin Talton, "The Challenge of Decolonization in Africa," The New York Public Library Schomburg Center for Research in Black Culture, January 2011, <http://exhibitions.nypl.org/africanaage/essay-challenge-of-decolonization-africa.html> (accessed March 18, 2015).

¹⁰ Ibid.

¹¹ "Regional Cooperation for Sustainable Development," United Nations Environment Programme, 2006, <http://www.unep.org/dewa/Africa/publications/AEO-2/content/196.htm>, (accessed March 18, 2015).

¹² Ibid.

Member States of the African Union:

ALGERIA, ANGOLA, BENIN, BOTSWANA, BURKINA FASO, BURUNDI, CABO VERDE, CAMEROON, CHAD, COMOROS, CONGO BRAZZAVILLE, Côte D'IVOIRE, DR CONGO, DJIBOUTI, EGYPT, EQUATORIAL GUINEA, ERITREA, ETHIOPIA, GABON, GAMBIA, GHANA, GUINEA, GUINEA-BISSAU, KENYA, LESOTHO, LIBERIA, LIBYA, MADAGASCAR, MALAWI, MALI, MAURITANIA, MAURITIUS, MOZAMBIQUE, NAMIBIA, NIGER, NIGERIA, RWANDA, SAHRAWI ARAB DEMOCRATIC REPUBLIC, São Tomé and Príncipe, SENEGAL, SEYCHELLES, SIERRA LEONE, SOMALIA, SOUTH AFRICA, SOUTH SUDAN, SWAZILAND, TANZANIA, TOGO, TUNISIA, UGANDA, ZAMBIA, ZIMBABWE

I: Furthering Agenda 2063: “Building a Prosperous Africa based on Inclusive Growth and Sustainable Development”

“African youth dream of an Africa which is in peace with itself.” - Nelson Mandela¹³

Introduction

A continent haunted by conflict, failed governments, and unstable economies, Africa needed a plan and the African Union (AU), provided that with the creation of Agenda 2063.¹⁴ Agenda 2063 creates a fifty-year vision for Africa with strong and independent Member States, led by the people through reliable governments, free of corruption; a vision of self-reliant Member States with flourishing and expanding economies; a vision of a peaceful continent.¹⁵ With only fifty years to produce this outcome, the African Union, working with additional bodies such as the African Development Bank, the United Nations Economic Commission for Africa, and the New Partnership for Africa's Development must begin taking action to execute the African Union vision of Agenda 2063.¹⁶

History of Agenda 2063

On May 25, 2013, the Heads of State and Government of the African Union met to celebrate the Golden Jubilee, or the fiftieth anniversary, of the creation of the Organization of African Unity, or the AU.¹⁷ At this meeting, the Heads of State reaffirmed their commitment to continental unity by envisioning a new pathway to success. This pathway included not only a vision, but also a strategic framework to establish a new future for Africa.¹⁸

The AU was founded upon a premise of creating an independent and self-determinate African continent, driven by development and innovation and maintains a relevant and respected platform on the international stage.¹⁹ This Africa would have a well-documented and valued legal system which prioritized equality, democracy, and respect for human rights.²⁰ While the AU has been successful in significantly decreasing the amount of violence and conflict on the continent, the success has been limited in regards to independence and a presence in the global economy.²¹ At the fiftieth anniversary of the founding of the AU, it became apparent to the Heads of State that more had to be done to bring this ideal vision to fruition. Thus, they outlined a new strategy to take Africa from its current state to the

¹³ Bill Hutchinson, “Nelson Mandela: Dead at 95,” *New York Times*, <http://www.nydailynews.com/news/world/grim-robben-island-couldn-sap-nelson-mandela-spirit-article-1.1541025>, December 2013, (accessed June 14, 2015).

¹⁴ “Agenda 2063: The Africa We Want,” African Union, http://agenda2063.au.int/en/sites/default/files/agenda2063_popular_version_05092014_EN.pdf, August 2014 (accessed June 14, 2015).

¹⁵ Ibid.

¹⁶ “Agenda 2063: An Overview,” African Ministries of Economic Planning, <http://agenda2063.au.int>, September 2013. (accessed June 15, 2015).

¹⁷ *50th Anniversary Solemn Declaration*. African Union, <http://agenda2063.au.int/en/sites/default/files/50th%20Anniversary%20Solemn%20DECLARATION%20En.pdf>, May 2013, (accessed May 24, 2015).

¹⁸ “About Agenda 2063,” African Union, <http://agenda2063.au.int/en/about>, May 2015, (accessed June 17, 2015).

¹⁹ *50th Anniversary Solemn Declaration*. African Union, <http://agenda2063.au.int/en/sites/default/files/50th%20Anniversary%20Solemn%20DECLARATION%20En.pdf>, May 2013, (accessed May 24, 2015).

²⁰ Ibid.

²¹ “State of Africa and the African Union Agenda 2063,” *The African Executive*, <http://www.africanexecutive.com/modules/magazine/articles.php?article=7616>, January 2014, (accessed May 24, 2015).

ideal vision. Over the next year and half this outline became a detailed vision and action plan known as Agenda 2063.²² Agenda 2063 was officially adopted by the AU at the 24th Ordinary Assembly held in Addis Ababa, Ethiopia, from 30-31 January 2015.²³ From this point forward, the goal of the AU is to transform Agenda 2063 from a vision and strategic framework to a logistical plan which can be carried out, step by step, over the next fifty years.²⁴

The objective of Agenda 2063, as explicitly detailed in the Seven Aspirations “for the Africa We Want,” is to create a prosperous, peaceful, and well-governed Africa.²⁵ Moreover, and perhaps more importantly, a central ideal of Agenda 2063 is that the continent be united by a common sense of culture and identity.²⁶ The strategic framework builds upon the pre-established and existing mechanisms to strengthen the African continent, such as the Pan African Vision and Project, which attempted to mobilize the African people towards decolonization and the end of slavery by uniting them for the cause of a strong, self-sustained continent, to continue to transform the future of Africa.²⁷ In creating the strategic framework for this action plan, the Heads of State believed it essential to recognize the many attempts to reform Africa, in regards to human rights abuses, the economy, and a legitimate government, as well as the method by which decolonization and independence of States occurs.²⁸ As citizens of a continent rife with international involvement internally, yet desperate to forge their own path in the world, the African Member States deemed it necessary to remind the African people, as well as the rest of the world, that they wish to become a thriving, independent and self-dependent continent. Therefore, the specifics of Agenda 2063 are decided upon through a consultative process amongst the AU policy organs.²⁹ As an agenda that seeks to create unified growth for Africa, it is essential that African Member States come together and collaborate on its creation and execution.³⁰

Aspirations and Goals of Agenda 2063

The Seven Aspirations of Agenda 2063 lay the foundation for the creation and execution of the step-by-step action plan. These aspirations each echo the sentiment that Africa is a strong and capable economic, social, and political environment.³¹ The Seven Aspirations, listed below, serve as a guide for the creators of the Agenda 2063 to remind them of the purpose and ultimate goals of the document.

“Our Aspirations for the Africa We Want:

1. A prosperous Africa based on inclusive growth and sustainable development
2. An integrated continent, politically united and based on the ideals of Pan Africanism and the vision of Africa’s Renaissance
3. An Africa of good governance, democracy, respect for human rights, justice and the rule of law
4. A peaceful and secure Africa
5. An Africa with a strong cultural identity, common heritage, values and ethics
6. An Africa where development is people-driven, unleashing the potential of its women and youth
7. Africa as a strong, united and influential global player and partner.”³²

²² “Agenda 2063,” The Office of the Special Adviser on Africa. <http://www.un.org/en/africa/osaa/peace/agenda2063.shtml>, (accessed May 24, 2015).

²³ Ibid.

²⁴ Mark Schoerman. “Africa: 24th AU Summit - How Agenda 2063 Can Realise Meaningful Economic Integration,” All Africa. <http://allafrica.com/stories/201503030391.html> (accessed May 24, 2015).

²⁵ “Agenda 2063: The Africa We Want,” African Union, http://agenda2063.au.int/en/sites/default/files/agenda2063_popular_version_05092014_EN.pdf, August 2014 (accessed June 14, 2015).

²⁶ Ibid.

²⁷ Ibid.

²⁸ Ibid.

²⁹ Mark Schoerman. “Africa: 24th AU Summit - How Agenda 2063 Can Realise Meaningful Economic Integration,” All Africa. <http://allafrica.com/stories/201503030391.html> (accessed May 24, 2015).

³⁰ Ibid.

³¹ “Agenda 2063: The Africa We Want,” African Union, http://agenda2063.au.int/en/sites/default/files/agenda2063_popular_version_05092014_EN.pdf, August 2014 (accessed June 14, 2015).

³² Ibid.

In addition to the Seven Aspirations, Agenda 2063 is also constituted by a call to action. This call to action consists of fourteen specific points, calling attention to subject matter and creating a vision to be carried out by 2063 or sooner. Each action item includes details as to how the goal is to be achieved, making the strategic planning and execution of the objectives far easier in the future.³³

The success of Agenda 2063 relies not only on the willingness and cooperation of the Member States and their respective governments, but first and foremost on the successful cooperation of the numerous African organizations already in place, tasked with stepping up to the plate to take the primary steps in bringing Africa from the current conversion point and into a brighter future.³⁴

Previous Actions

Agenda 2063 is the result of previous action and treaties constructed on the African continent. Beginning in the late 1970s with the Monrovia Declaration, the leaders of the African continent announced both to their citizens and the rest of the world that Africa was determined to stand together and overcome the economic challenges that stood in the path to economic independence in the global community.³⁵ They followed through on this declaration with the creation of the Lagos Plan of Action, a plan which laid out a framework for integration amongst the African Member States in thirteen economic and societal areas, including but not limited to food and agriculture, industry, human resources development and utilization, women and development, trade and finance, science and technology, and statistics and population.³⁶ However, soon after the plan was adopted, its implementation was cut short by international involvement. Pressure from the Bretton Woods Institutions to adopt structural adjustment programs forced the attention of the African community away from the Lagos Plan of Action and onto a different economic agenda.³⁷ Once again the African community was at a loss, no longer working within itself but falling victim to outside influences.

In 1991, more than ten years after the creation of the Lagos Plan of Action, the African Member States once again joined together and created the Abuja Treaty, a treaty which established the African Economic Community and designed to carry forth the Lagos Plan of Action, as well as promote integration of the African community and economies and independence from the global community by mobilizing internal resources and raising the standard of living.³⁸ However, due to internal conflict, a lack of political infrastructure to make integration possible, and the unwillingness of Member States to give up control over their economies to engage in full cooperation with the plan, once again the economic structure fell far short of achieving its ultimate agenda.³⁹ Thus, the OAS reconstructed its framework, creating a stronger body with an emphasis on unity, integration, and independence, creating the AU in 2002, and the New Partnership for Africa's Development, a new socio-economic program with a number of specified plans for integration and improvement of the situation on the African continent.⁴⁰ This, in turn, brought Africa through a decade of economic growth.

Current Continental Situation

A continent known for its internal struggle and strife, the progress made by Africa is rarely followed or recognized. However, since the 1990s, Africa has shown steady progress towards a future driven less by internal conflict and the results of decolonization.⁴¹ As compared to other developing regions across the globe, Africa as a whole has shown a

³³ Ibid.

³⁴ Ibid.

³⁵ "Agenda 2063 Framework." African Governance Institute, <http://www.iag-agi.org/IMG/pdf/agenda-2063-c9fa.pdf>, (accessed June 14, 2015).

³⁶ Ibid.

³⁷ Ibid.

³⁸ Ibid.

³⁹ Ibid.

⁴⁰ "A technical body of the African Union," New Partnership for Africa's Development, <http://www.nepad.org/about> (accessed June 14, 2015).

⁴¹ "State of Africa and the African Union Agenda 2063," The African Executive, <http://www.africanexecutive.com/modules/magazine/articles.php?article=7616>, 25 January 2014, (accessed May 24, 2015).

⁴¹ "Agenda 2063," The Office of the Special Adviser on Africa, <http://www.un.org/en/africa/osaa/peace/agenda2063.shtml>, (accessed May 24, 2015).

substantial decrease in the number of conflicts it faces. The African Union Peace and Security Council has played a large role in this process, monitoring conflicts before they arise and assisting in their resolution in the event that they transform into actual conflicts.⁴² In addition to the Peace and Security Council, the African Peace and Security Architecture, the Panel of the Wise, and the Continental Early Warning System, all of which are designed to collect data for the purposes of identifying potential sources of conflict on the African continent and create a plan of action in response.⁴³ Therefore, while conflicts do remain in the Democratic Republic of Congo and Sudan, as well as in western portions of the continent, regions such as the Great Lakes Region and the Horn of Africa have transformed from conflict ridden war zones to peaceful and recovering communities.⁴⁴

Politically, the African continent is moving towards a norm of free and fair governments instead of corrupt impunity.⁴⁵ The number of democratic elections on the continent has steadily increased since the 1970s, with an average of 28 elections for the decade, as compared to the 41 elections held between 2000 and 2005 alone.⁴⁶ Additionally, as of 2011, 18 countries on the African continent were considered electoral democracies.⁴⁷ However, corrupt governments and low levels of citizen participation still plague a majority of Africa. While the numbers have been steadily increasing, they have been doing so at a rate which has not promoted successful transformation of the governments of a majority of the African Member States. The African Peer Review Mechanism, established by the AU to allow Member States to review one another on their democracy and political governance, led to the adoption of the African Charter on Democracy, Elections, and Governance in 2007 and the creation of the African Governance Platform, both of which are designed to further deepen commitment to democratic principles and governments.⁴⁸ These structures, while good in theory, have done little to assist in the integration and implementation of democratic principles into developing Member States and their governments.

Economically, Africa experienced an average of six percent annual growth throughout 2000 – 2010, making it one of the fastest growing regions of the world, second only to East Asia.⁴⁹ Furthermore, “between 2000 and 2009, eleven African countries grew at an annual rate of 7 percent or more, which is considered sufficient to double their economies in ten years.”⁵⁰ This boom in industry has facilitated a larger and stronger middle class, providing a viable base upon which to assume that economic self-determination is possible for the African continent. With increased emphasis on internal domestic resource mobilization, Africa has seen domestic growth large enough over the last decade to allow it to decrease its international debt substantially, as well as increase the amount of foreign direct investments in its Member States.⁵¹ However, in relation to the size and population of the continent, this progress is relatively small. Future agendas must focus on the recent success and economic expansion and use this knowledge to continue and increase the success on a continent-wide scale.

When it comes to human rights violations, many African Member States rank near the top. With current conflicts in the Democratic Republic of Congo, Sudan, and South Sudan, as well as flaring conflicts in Rwanda, Nigeria, and

⁴² Ibid.

⁴³ Ibid.

⁴⁴ “State of Africa and the African Union Agenda 2063,” The African Executive. <http://www.africanexecutive.com/modules/magazine/articles.php?article=7616>, 25 January 2014, (accessed May 24, 2015).

⁴⁴ “Agenda 2063,” The Office of the Special Adviser on Africa. <http://www.un.org/en/africa/osaa/peace/agenda2063.shtml>, (accessed May 24, 2015).

⁴⁵ Ibid.

⁴⁶ Ibid.

⁴⁷ “State of Africa and the African Union Agenda 2063,” The African Executive. <http://www.africanexecutive.com/modules/magazine/articles.php?article=7616>, 25 January 2014, (accessed May 24, 2015).

⁴⁷ “Agenda 2063,” The Office of the Special Adviser on Africa. <http://www.un.org/en/africa/osaa/peace/agenda2063.shtml>, (accessed May 24, 2015).

⁴⁸ Ibid.

⁴⁹ Ibid.

⁵⁰ “State of Africa and the African Union Agenda 2063,” The African Executive. <http://www.africanexecutive.com/modules/magazine/articles.php?article=7616>, 25 January 2014, (accessed May 24, 2015).

⁵⁰ “Agenda 2063,” The Office of the Special Adviser on Africa. <http://www.un.org/en/africa/osaa/peace/agenda2063.shtml>, (accessed May 24, 2015).

⁵¹ Ibid.

Kenya, the number of human rights abuses that take place each year seem insurmountable.⁵² In Nigeria alone, over 1,000 lives were lost from January to March of 2015 due to conflict.⁵³ Furthermore, the situation of women and children is far worse than in other regions, as women constitute more than fifty percent of the continental population and yet less than forty percent of the workforce.⁵⁴ Amongst other factors, conflict arises due to internal political tensions, economic strife, and racism. Thus, a primary factor moving forward with Agenda 2063 is to eradicate these tensions and provide the basic needs for life, therefore limiting and ultimately eliminating extreme conflict and human rights abuses.

Potential Threats to Agenda 2063

Regional Political Issues

Internal political and cultural conflicts are a primary obstacle to the improvement and expansion of the African economy and socio-economic mechanisms. Conflict not only disintegrates the political structures and resounding infrastructure of the region, but also stalls education and career building, essentially bringing a halt to the expansion of entire Member States for a significant period of time.⁵⁵ Conflict on the African continent has brought many African regions to understand violence and corruptions as parts of every-day life.⁵⁶ To overcome the overwhelming amount of conflict on the continent, and therefore to move towards a prosperous, self-sufficient Africa, there is a need for further research, education, and understanding amongst the African communities.

Institutional Degradation

With a lack of peace, institutions that provide the basics necessary for a successful people cannot flourish and, in turn, degrade. In 2009, only 69% of the population of Africa has access to improved water facilities, and only 28 percent of the continent's population has access to electricity.⁵⁷ With these numbers remaining rather steady, it will be extremely difficult for any Member State to pull itself up to a level of economic integration and sustainability that places it on the international field.

Resource Mobilization

Although the continent has experienced economic growth due to exports, these exports account for a significant portion of the economic growth the continent has experienced over the last decade.⁵⁸ This proves to be an issue, such as in 2008, when the global economy crashes, and the primary source of income for a continent is subject to external price shocks. The African continent faces this problem, and will not be able to overcome economic dependence without a focus on internal resource mobilization to build up its internal economic infrastructure. With an internal economic infrastructure strong enough to withstand the impacts of the global economy, the African continent will be more likely to succeed in its attempts to enter the global economy independently and self-sufficiently.

Financing

The success of Agenda 2063 relies, in part, on each Member State's ability to finance itself, as well as a refurbished economy that maintains a position in the global economy. Thus, while the growth of the African economy has remained at a level of five percent or higher in the previous decade, it still significantly lags behind the rest of the world in innovation and societal change, mechanisms which significantly affect a state's economic independence.⁵⁹

⁵² "Africa," Human Rights Watch. <http://www.hrw.org/tags/african-union>, (accessed May 24, 2015).

⁵³ "Nigeria: At Least 1,000 Civilians Dead Since January," Human Rights Watch, <https://www.hrw.org/news/2015/03/26/nigeria-least-1000-civilians-dead-january-0>, 26 Mar 2015, (accessed May 24, 2015).

⁵⁴ "State of Africa and the African Union Agenda 2063," The African Executive. <http://www.africanexecutive.com/modules/magazine/articles.php?article=7616>, 25 January 2014, (accessed May 24, 2015).

⁵⁵ Kathryn Toure, "Impact of Conflict in Africa," Forced Migration Review. <http://www.fmreview.org/FMRpdfs/EducationSupplement/10.pdf>, (accessed June 14, 2015).

⁵⁶ Ibid.

⁵⁷ "Agenda 2063 Framework." African Governance Institute, <http://www.iag-agi.org/IMG/pdf/agenda-2063-c9fa.pdf>, (accessed June 14, 2015).

⁵⁸ Ibid.

⁵⁹ Ibid.

Furthermore, growth on the African continent has been unequal, leaving large numbers of the population without work or economic income.⁶⁰

Conclusion

Agenda 2063 is the most recent, and perhaps the strongest, economic developmental framework created by the African Member States. The willingness of African leaders to come together and agree to this framework is a leap of success by its own terms. However, its implementation and success depends entirely on the willingness of Member States to fully cooperate, as well as encourage engagement by the African Union and its organizational bodies. The vision of a united and independent Africa is not a new one, but Agenda 2063 is certainly a new, and more probable, solution to attaining the realization of that vision.

Committee Directive

This committee is tasked with the significant objective of creating a pathway for the future of Agenda 2063. Using the unique history of each of its Member States, as well as the history of Agenda 2063, the AU, and other relevant bodies, this committee must lay the foundation for the continuation and execution of Agenda 2063. Ultimately, the work of the African Union is to design a program that will provide for better implementation of Agenda 2063, and therefore create a brighter future for the African continent.

II: Revitalizing the Effort to Promote African Financial Integrity

“No matter how long and winding the road might be, it will always lead you to your destination”
- Proverb from Malawi⁶¹

Introduction

Financial Integrity is the result of consistent, transparent, and sustainable development and improvement in the financial sector. To promote financial integrity, cooperation is required on behalf of all bodies of the involved society. Financial activity must be present and consistent, in all sectors of the region which can be facilitated through financial markets. The proper management of a financial market may also be able to expedite the growth for a developing Member State. By doing so, developing Member States can create progress in an economy, or the qualitative measure of this. Defined as economic development, this term refers to “adoption of new technologies, transition from agriculture-based to industry-based economy, and general improvement in living standards”.⁶² The world's most stable economies have experienced this growth period, and through steady improvement, become ready to emerge in the financial market. The African continent has seen much progress over the past few decades, and continues to realize possibility for significant growth in their economy on an international scale.

Although the African region is experiencing growth overall, there are several areas that need to be addressed before Africa can recognize true economic growth. The areas that are most predominant in the discussion of promoting financial integrity in Africa are: illicit trade and misinvoicing, poor infrastructure, and lack of specialized resources/labor. Addressing these obstacles will be essential to the overall economic growth of Africa.

The African Union is hindered by financial integrity, due to several internal and external factors of the African Region. According to the Non-Profit Global Financial Integrity (GFI), “every year, roughly USD \$1 trillion flows illegally out of developing and emerging economies due to crime, corruption, and tax evasion—more than these countries receive in Foreign Direct Investment (FDI) and foreign aid combined.”⁶³ These are what the GFU would

⁶⁰ Ibid.

⁶¹ “Economic Development in Africa Report 2015: Catalysing Investment for Transformative Growth in Africa,” United Nations Conference on Trade and Development, 2014, http://unctad.org/en/PublicationsLibrary/aldafrica2014_en.pdf (accessed April 26, 2015).

⁶² “Economic Development,” Business Dictionary, <http://www.businessdictionary.com/definition/economic-development.html> (accessed May 28, 2015)

⁶³ “About,” Global Financial Integrity, <http://www.gfintegrity.org/about/> (accessed April 26, 2015).

classify as illicit outflows. A chain will only be as strong as its weakest link, and as internal corruption found in municipalities across the region persist, integrity in the financial market will be almost impossible to attain.

Along with illicit outflows, poor infrastructure places a large burden on the African economy as it is an incentive towards Foreign Direct Investment (FDI). When seeking to invest in a foreign country, investors carefully analyze and assess the environment of the investment. An environmental analysis of an investment measures risks in form of political stability, economic standing, infrastructure, socio-cultural nature, etc. This, in turn, has created a highly competitive global market for FDI, and investors have become highly sensitive to political and macroeconomic instability.⁶⁴ Thus, when potential investors become aware of the pools of conflict and turmoil beginning to stir, the thought of investment becomes very discomfoting.

The lack of decolonization and economic specialization amongst individual African Member States is a significant obstacle which prevents successful establishment of financial integrity in the African region. The impacts of narrow markets and weak regional integration on market growth bare an unfortunate disadvantage on a majority of African Member States compared to other fast-growing regions; this is with the exception of South Africa and Nigeria.⁶⁵ Although Africa is home to one of the world's largest physical labor resources, among others, current levels of FDI do not properly reflect the available markets found on the continent. Specialization throughout the region would assist in providing cheaper resources and labor for foreign investors, further incentivizing investment opportunities.

Background

The potential for economic growth in the African Region, despite its vast population, deteriorates at its lack of employment. Over the past few decades, Africa's physical and human labor capacity has been labeled as its most feasible resource, providing a significant advantage in the ability to establish a stable economy throughout the region. However, Africa's economy is being held back by one of the world's lowest labor-participation rates and one of its highest unemployment rates.⁶⁶ A report completed by the Organization for Economic Cooperation and Development (OECD), states that although the macroeconomic policies of the African Region might merit some level of credit, it's the microeconomic pool that these Member States should focus some more attention on.⁶⁷ Unfortunately, due to Africa's largely secluded populations, there is minimal opportunity to assist on the micro financing level either.

Albeit the progress noted, it was a small time frame that halted the pace of growth within the African Region. A domino effect took place throughout many world economies once Wall Street tumbled in 2008. At the time, cotton in Africa was in constant demand and textiles were generating a significant portion of African economic hope. Once demand decreased due to economic strains worldwide so did the rest of the African economy. However, the instability throughout African Member States due to conflict can cause mass strains on not only the society but its economy as well. Social cohesion and local governance systems face breakdowns and disruptions in the wake of conflict, which in turn may result in established safety nets becoming unavailable.⁶⁸ As diminutive as financial institutions are in developing countries, it is not always feasible for small municipalities to convalesce after times of social conflict and uproar. Increases in social and economic vulnerability as result of conflict "may trigger new tensions and conflict over critical resources, such as water or food".⁶⁹ On average, the impacts of conflict are quantified in production losses of 12 percent per year and undercut growth in the agricultural sector by three percent per year.⁷⁰ When such significant losses are found in such a small scale economy, independent citizens cannot fend

⁶⁴ "Foreign Direct Investment as a Key Driver for Trade, Growth and Prosperity: The Case for a Multilateral Agreement on Investment," World Economic Forum, 2013, http://www3.weforum.org/docs/GAC13/WEF_GAC_GlobalTradeFDI_FDIKeyDriver_Report_2013.pdf (accessed April 26, 2015).

⁶⁵ Ibid.

⁶⁶ "South Africa's Economy: How it could do even better," *The Economist*, <http://www.economist.com/node/16647365>, July 22, 2010, (accessed April 28, 2015).

⁶⁷ Ibid.

⁶⁸ "Environmental and Socioeconomic Impacts of Armed Conflict," United Nations Environment Programme, <http://www.unep.org/dewa/Africa/publications/AEO-2/content/203.htm>, 2006, (accessed April 28, 2015).

⁶⁹ Ibid.

⁷⁰ Ibid.

for themselves, causing an even greater strain on the local governments to provide assistance. By increasing the gap between food production and need, war exacerbates poverty and hunger, and promotes continued dependence on food aid.⁷¹

Addressing Economic Outflows and Misinvoicing

The Sub-Saharan African region, composing most of Africa, has lost an average of 5.53% of their GDP every year over the last decade due to misinvoicing - the improper management and/or oversight of trade checks and balances - and their outflowing capital.⁷² According to the study, GFI recorded a total of USD 165.1 Billion in illicit outflows from the Sub-Saharan region, leading to a staggering USD 363.8 Billion in misinvoicing⁷³. With 77.8 percent of all illegitimate capital flow in developing Member States originating from fraudulent misinvoicing of transactions; efforts to rectify and legitimize financial stream must address misinvoicing.⁷⁴

In a collaborative effort, the GFI, AU and United Nations Economic Commission for Africa (UNECA) High Level Panel (HLP), released a report in February of 2015 addressing illicit financial flows (IFF) as a pivotal adjustment in the movement to curtail IFF and promote financial transparency.⁷⁵ Former South-African president, Thabo Mbeki, is the chair for the HLP and has dedicated much effort to mitigating such vital economic resources from leaving the African region. He emphasized in this report the need for “a more rigorous effort in support of a unified global architecture on the issue of IFFs. The starting point of this effort should be a clear United Nations Declaration on the issue of IFFs.”⁷⁶ Founder of the GFI, Raymond Baker, has dedicated many years to the study of IFFs with an end goal of promoting policy solutions to curtail such pernicious economic trends.

“The misinvoicing of ordinary trade transactions is the most widely documented method for transferring dirty money across international borders, and it accounts for the vast majority of measurable illicit financial flows from Africa. As such, African governments and the global community must prioritize efforts to curtail trade misinvoicing by, for example, equipping customs authorities with the latest, comparable global pricing data, so they can detect and interdict the mis invoiced transactions on the docks in real-time.”⁷⁷ - Raymond Baker

Trade misinvoicing is undermining billions of dollars of investment and domestic resource mobilization in at least a number of African Member States.⁷⁸ A covert, but considerable tool for development rests in reducing illicit financial outflows, especially in Sub-Saharan Africa.⁷⁹ The minutest decrease in these IFFs can in turn assist in creating a fund for facilitating micro financing loans for the purpose of promoting saving and investment throughout the region. The IFF’s themselves are not the only cost leaving the African economy as the possibility of increasing revenue to local governments in the form of taxation is revoked through this process. The GFI found that the potential average annual tax loss from trade misinvoicing amounted to roughly 12.7 percent of Uganda’s total

⁷¹ Ibid.

⁷² Joseph Sanjers, “Illicit Financial Flows a Drain on Development In Sub-Saharan Africa,” Global Financial Integrity, <http://www.gfintegrity.org/illicit-financial-flows-drain-development-sub-saharan-africa/>, January 2015, (accessed April 26, 2015).

⁷³ Dev Kar and Joseph Sanjers, “Illicit Financial Flows from Developing Countries: 2003-2012,” Global Financial Integrity, 16 December 2014, <http://www.gfintegrity.org/wp-content/uploads/2014/12/Illicit-Financial-Flows-from-Developing-Countries-2003-2012.pdf> (accessed April 26, 2015).

⁷⁴ Dev Kar and Joseph Sanjers, “Illicit Financial Flows from Developing Countries: 2003-2012,” Global Financial Integrity, 16 December 2014, <http://www.gfintegrity.org/report/2014-global-report-illicit-financial-flows-from-developing-countries-2003-2012/> (accessed April 26, 2015).

⁷⁵ Clark Gascoigne, “AU/UN Panel Report Prioritizes Curbing Trade-Related Illicit Flows; Call for SDGs to Follow Suit,” Global Financial Integrity, <http://www.gfintegrity.org/press-release/au-un-high-level-panel-report-prioritizes-curbing-trade-related-illicit-flows-calls-sdgs-follow-suit/>, February 2015, (accessed April 28, 2015).

⁷⁶ Ibid.

⁷⁷ Ibid.

⁷⁸ Ibid.

⁷⁹ Joseph Sanjers, “Illicit Financial Flows a Drain on Development In Sub-Saharan Africa,” Global Financial Integrity, <http://www.gfintegrity.org/illicit-financial-flows-drain-development-sub-saharan-africa/>, January 2015, (accessed April 26, 2015).

government revenue over the years 2002-2011, followed by Ghana (11.0 percent), Mozambique (10.4 percent), Kenya (8.3 percent), and Tanzania (7.4 percent).⁸⁰

These outflows are most correlated to corrupt government officials committing laundering crimes. Money Laundering “refers to a financial transaction scheme that aims to conceal the identity, source, and destination of illicitly-obtained money”.⁸¹ Whereas tax evasion and false accounting practices “constitute common types of money laundering. Often, criminals achieve these objectives through the use of shell companies, holding, and offshore accounts”.⁸² Along with managing illicit flows, The AU faces similar repercussions on a regional level due IFF’s and money laundering to those of armed conflict. Increases in income inequality stemming from a number of factors including secrecy jurisdictions, tax evasion, transfer pricing, and offshore bank accounts (regardless of their legality or legitimacy), skew political power and therefore impact access to basic human rights.⁸³

Infrastructure for FDI

Growth of a continent can occur from the inside out. Some of the internal factors that support growth and revitalization include better macroeconomic management, high domestic demand and a relatively more stable political environment.⁸⁴ Establishing a more stable government and sustainable infrastructure for FDI within the African continent, would require cooperative efforts from all its Member States encouraging united growth.

Infrastructure, by definition, is the underlying foundation or basic framework that is needed for a country, region, or organization, to satisfy the needs of its citizens.⁸⁵ This includes areas such as railroads, buildings, roads, electricity, bridges, etc. In essence, infrastructure is the center point for an emerging market and nation. Noting its importance, entities such as the World Bank (WB) are allocating funds to stabilize or rebuild necessary infrastructure. The WB recently announced the issuance of \$1.2 billion in funding, to revive the waterways in the East African Community on the regional hubs of Lake Victoria and Lake Tanganyika, and improve the ports at Dar es-Salaam in Tanzania and Mombasa in Kenya.⁸⁶ Demonstrating an interest in providing the foundation for an integrated African economy, other international organizations, highlight the need for improved infrastructure to capitalize on FDI. Many African Member States cannot reap the benefits of FDI due to their decolonized status and isolation from other African Member States. Therefore, Member States such as South Africa will benefit from FDI, while others, such as Chad, Niger, and Malawi, will not. Advantages of integration include “lower transaction costs, more trade, bigger markets, economies of scale, and more competition and efficiency”.⁸⁷ An increased effort to promote intra-continental trade and investment can provide the type of catalyst needed to attract FDI. Developing infrastructure in neighboring nations through intra-continental trade can assist in facilitating integration among African Member States. The concept of international companies doing business with Africa presents several potential and significant benefits, more so if the relationship simplifies the regulation of the African business market.⁸⁸

According to an analysis by the Frontier Services Group on The Role of Infrastructure in Africa’s Integration Transformation, improvements to infrastructure will be crucial for integration to work. Investment is one of the main

⁸⁰Christine Clough, Dev Kar, Brian LeBlanc, Raymond Baker, Joshua Simmons, “Hiding in Plain Sight: Trade Misinvoicing and the Impact of Revenue Loss in Ghana, Kenya, Mozambique, Tanzania, and Uganda: 2002-2011,” Global Financial Integrity, May 2014, <http://www.gfintegrity.org/report-report-trade-misinvoicing-in-ghana-kenya-mozambique-tanzania-and-uganda/>, (accessed April 28, 2015).

⁸¹“Money Laundering,” Cornell University Law School Legal Information Institute, https://www.law.cornell.edu/wex/money_laundering (accessed April 28, 2015) .

⁸²Ibid.

⁸³ Grace Zhao, “How Tax Abuse and Human Rights are More Closely Related Than You Think,” Global Financial Integrity, June 2014, <http://www.gfintegrity.org/tax-abuse-human-rights-related/> (accessed April 28, 2015).

⁸⁴ Economic Development in Africa Report 2015: Catalysing Investment for Transformative Growth in Africa,” United Nations Conference on Trade and Development, 2014, http://unctad.org/en/PublicationsLibrary/aldcafrica2014_en.pdf (accessed April 26, 2015).

⁸⁵“Infrastructure,” Merriam Webster Dictionary, <http://www.merriam-webster.com/dictionary/infrastructure> (accessed April 28, 2015).

⁸⁶ “Africa Monitor,” Frontier Services Group, <http://www.fsgroup.com/the-role-of-infrastructure-in-africas-integration-transformation/> (accessed April 28, 2015).

⁸⁷ Ibid.

⁸⁸ Ibid.

determinants of an economy's long-run growth rate and productivity and is crucial for achieving sustained growth and development.⁸⁹ Although integration will assist in regional growth, propensity of an investor to engage in foreign investment or production depends on the components of its cross-border comparative advantages in terms of ownership, location, and internalization. An effort to improve distinct locations of the African region, such as South Africa and Egypt above others, has incidentally widened the gap between the more developed regions and those other regionally displaced areas.

Conclusion

The undertaking of the economic issues troubling Africa are not to be viewed as rudimentary and amendable though some minor infrastructure assistance program or a big brother's view of all financial statements from each government. With proper directive from the UN, collaborative efforts towards safeguarding a process that will decrease illicit outflows in and out of African States can occur. Albeit the challenges, a systematic integration of African Member States with a focus on infrastructure that ensures basic needs be met to incentivize trade and FDI. With the vast supply of water available to Africa, proper infrastructure for water system distribution throughout landlocked states can provide for more arable land as well as stepping stones for rural development and unified African efforts towards complete integration. The progressive development of these economies of scale will provide more stability to the region, allowing for greater interest in FDI and more accelerated growth.

Committee Directive

Delegations should bear in mind the effects of centralizing infrastructure efforts as well as ignoring regional gaps between societies and their economic strengths. Member States are encouraged to focus on inclusive strategies for infrastructure development that will be most effective in the long range. Collaborative efforts with other international organizations to improve the standard for eradicating IFFs can provide opportunities of great growth on both a macro and micro economic level. Delegates should strive for long term goals that tackle the concerns of development for landlocked Member States as well as promoting plans that will attract FDI to other regions of the continent.

⁸⁹ Economic Development in Africa Report 2015: Catalysing Investment for Transformative Growth in Africa," United Nations Conference on Trade and Development, 2014, http://unctad.org/en/PublicationsLibrary/aldcafrica2014_en.pdf (accessed April 26, 2015).

Technical Appendix Guide

Topic I: Furthering Agenda 2063: “Building a Prosperous Africa based on Inclusive Growth and Sustainable Development”

Abdalla Bujra, “Pan-African Political and Economic Visions of Development, From the OAU to the AU: From the Lagos Plan of Action to the New Partnership for African Development.” <http://bujra.com/documents/PanAfrican%20Political%20and%20Economic%20Visions%20of%20Development.pdf>. (Accessed July 21, 2015.)

Economic crises play a central role in any state, but particularly those on the African continent. This paper discusses the role economics plays in African conflict, crises, and ultimately the effort to bring the African states out of a state of hardship. It analyzes economic hardship and its effect on document integral to the founding of the African Union, as well as the success of Agenda 2063.

Anup Shay, “Conflicts in Africa.” Global Issues. May 12, 2010. <http://www.globalissues.org/article/84/conflicts-in-africa-introduction>. (Accessed July 21, 2015.)

This article provides readers with an in-depth background and history of conflicts on the African continent. By discussing causes of the problems, different international powers involved in the problems, and outcomes of the problems, readers are left with an overarching historic sense of the conflict that has overcome the continent throughout its history.

“Central Africa.” African Economic Outlook. <http://www.africaneconomicoutlook.org/en/country-notes/central-africa/>. (Accessed July 21, 2015.)

This site provides an in-depth look at the current economic state of each African state, as well as provides an economic outlook for the near future. Readers will be able to better understand the continent’s current wants and needs by understanding each state’s current situation economically speaking.

G.A. Sekgoma, “The Lagos Plan of Action and Some Aspects of Development in Sierra Leone.” Pula: Botswana Journal of African Studies, <http://sanweb.lib.msu.edu/DMC/African%20Journals/pdfs/PULA/pula008002/pula008002006.pdf>. (Accessed July 21, 2015.)

This document considers the results of the Lagos Plan of Action in Sierra Leone. While only considering the impact on one state, the Lagos Plan of Action was an integral document in the history of the African continent. Additionally, it can be argued that the findings can also be applied to additional African states.

“History and Background of Africa’s Regional Integration Efforts.” United Nations Economic Commission for Africa. <http://www.uneca.org/oria/pages/history-background-africas-regional-integration-efforts>. (Accessed July 21, 2015.)

This page provides historical background of the integration efforts of Africa, regionally speaking on the continent. It also provides context to the history of the African Union and the Organisation of African Unity by providing a timeline of attempted integration, allowing readers a better understanding of the continental situation during the development of the African bodies of the United Nations.

John Bugnacki, “Critical Issues Facing Africa: Terrorism, War, and Political Violence.” American Security Project. January 17, 2015. <http://www.americansecurityproject.org/critical-issues-facing-africa-terrorism-war-and-political-violence/>. (Accessed July 21, 2015.)

This article provides an overview of the current terroristic and political threats to the African continent. In order to ensure that delegates are properly equipped to consider the future of Africa, each must be aware of the current strife facing the continent and its states.

“Keep it Calm,” The Economist. June 20, 2015. <http://www.economist.com/news/special-report/21654388-violence-mainly-not-exclusively-north-has-exacerbated-nigerias-many?zid=304&ah=e5690753dc78ce91909083042ad12e30>. (Accessed July 21, 2015.)

This article explains the causes behind and the likely future of a currently erupting violent situation in Nigeria, exacerbating Nigeria’s already existing problems. Newly arising conflict on the African continent is not infrequent

and not limited to any one state. Knowledge of these newly arising conflicts is essential to a delegate's understanding for the African future.

Timothy Besley and Marta Reynal-Querol, "The Legacy of Historical Conflict: Evidence from Africa." The Suntory Centre. <http://sticerd.lse.ac.uk/dps/eopp/eopp36.pdf>. (Accessed July 21, 2015.)

This document observes the historical conflict that has long plagued Africa and its influence on the Africa of today. Readers are given a better understanding of just how the conflicts on the African continent have affected the Africa we know today, as well as the construct of bodies of the United Nations, and UN actions.

Topic II: Revitalizing the Effort to Promote African Financial Integrity

"Towards Agenda 2063 – The Africa we want," New Partnership for Africa's Development, <http://www.nepad.org/ceo039s-office/news/3602/towards-agenda-2063-%E2%80%93-africa-we-want> (Accessed July 26, 2015).

This article elaborates on the steps that were required during the unification of African States and touches upon some of the obstacles that were encountered. The creation of the African Union and its primary goals are also highlighted. It will provide a fresh perspective of what obstacles need to be addressed so that the development of African States is a cohesive and effective plan.

"New Financing for Africa's Roads, Rail Without High Debt," International Monetary Fund, <http://www.imf.org/external/pubs/ft/survey/so/2014/car032014a.htm>, March 2014, (accessed July 26, 2015).

This article construes the topics debated at a conference in Cameroon regarding the financing options of developing new roads and other infrastructure needs in Africa. It explains how infrastructure in Africa will have to avoid diving too much into debt and options available for doing so. It will provide some options for increasing financing and delve into the factors that should be avoided to encounter large amounts of debt.

"Integration Milestones," Southern African Development Community, <http://www.sadc.int/about-sadc/integration-milestones/> (Accessed July 28, 2015).

This article outlines a set of milestones that are to be achieved by the Southern African Development Community (SADC) according to their agenda. The purpose of these milestones is to ultimately integrate the regional gaps within the African Continent. The article will also explore the formation of a free trade area and the development of a single currency. It will provide a multifaceted approach to economic and regional development across the African Continent.

Silvia Colombo, Paola Caridi, Jane Kinninmont, "New Socio-Political Actors in North Africa: A Transatlantic Perspective," The German Marshall Fund of the United States, <http://www.gmfus.org/publications/new-socio-political-actors-north-africa-transatlantic-perspective>, February 2012, (accessed July 31, 2015)

This report delves into the theory of sociopolitical development (SPD) and its involvement in the transition phase of North African development. It explores SPD and its relationship with other component of state and society. The main points touched upon are: civil society, economic actors, and Islamist parties – each presented in detail and their involvement with the social political development of North Africa. It will provide a regional perspective on social growth and political involvement with the civil groups of that region.

"Programme for Infrastructure Development in Africa," African Development Bank Group, <http://www.afdb.org/en/topics-and-sectors/initiatives-partnerships/programme-for-infrastructure-development-in-africa-pida/> (Accessed July 31, 2015).

This source is constituted of an article and thirteen PDFs relevant to the topic material, and thus through a single link provides access to fourteen sources of information. The article provides a full overview of the Programme for Infrastructure Development in Africa (PIDA) and its goals. Along with its objectives, this article provides some cost and financing analysis of the socioeconomic development strategies the PIDA wishes to implement. It will provide a complete overview of the organization along with multiple documents on different economic and social strategies that can be implemented to promote growth across the African Continent.