

SRMUN CHARLOTTE 2020 Forging Connections: Building a Community Among Nations Through Diplomacy March 26-28, 2020 <u>AfDB_Charlotte@srmun.org</u>

Dear Delegates,

Welcome to SRMUN Charlotte 2020 and the African Development Bank (AfDB). My name is Makayla McDermott, and I have the pleasure of serving as your Director for AfDB. This will be my second time as a SRMUN Charlotte staff member. Previously, I served as the Assistant Director for the Security Council at SRMUN Charlotte 2019. In December of 2017, I graduated from Pace University at Pleasantville with a BA in Political Science and a minor in Religious Studies. After working for a year and a half as a legal assistant at a law firm in New York, I am currently a first-year law student at Quinnipiac University School of Law where I am concentrating in International Law and Policy. Our committee's Assistant Director will be Matthew Hunnicutt. This will be Matthew's first time as a SRMUN staff member, but he is certainly no stranger to SRMUN, having served as a Chair/Rapporteur at SRMUN Charlotte 2019 for the Organization of American States and as a delegate at five different SRMUN conferences. Matthew is majoring in Political Science at Kennesaw State University.

The AfDB is one of three organizations within the African Development Bank Group dedicated to enhancing economic and social development projects throughout Africa. The overarching mission of the AfDB is to encourage sustainable economic growth and reduce poverty, thus resulting in an improved quality of life in Africa. The AfDB strives to achieve two main objectives: (1) mobilizing and allocating resources for investment in Regional Member Countries and; (2) providing policy advice and technical assistance to support development efforts. The AfDB works within 54 African Member States, as well as 25 non-regional member countries, and involves key partnerships and initiatives with national and local governments, non-governmental organizations, and perhaps most significantly, the private sector.

With a focus on the mission of the AfDB and the SRMUN Charlotte 2020 theme of "*Forging Connections: Building a Community Among Nations Through Diplomacy*" we have developed the following topics for delegates to discuss at the conference:

- I. Decreasing Poverty through Agriculture and Agro-Industries
- II. Fostering Anti-Corruption Initiatives within the African Continent

This background guide provides an introduction to the committee and the topics that will be debated at SRMUN Charlotte 2020. It should be utilized as a foundation for a delegate's independent research. However, while we have attempted to provide a holistic analysis of the issues, the background guide should not be used as the single mode of analysis for the topics. Delegates are expected to go beyond the background guide and engage in intellectual inquiry of their own. The position papers for the committee should reflect the complexity of these issues and their externalities. Delegations are expected to submit one position paper and be prepared for a vigorous discussion at the conference.

Position papers should be no longer than two pages in length (single spaced) and demonstrate your Member State's position, policies, and recommendations on each of the two topics. For more detailed information about formatting and how to write position papers, delegates can visit srmun.org. <u>All position papers MUST be submitted no later</u> than Friday, March 6, 2020, by 11:59pm EST via the SRMUN website.

Matthew and I are very excited to be serving as your dais for the AfDB. We wish you all the best of luck in your conference preparation and look forward to working with you in the near future. Please feel free to contact Director-General Vanessa DuBoulay, Matthew, or myself if you have any questions while preparing for the conference.

Makayla McDermott Director AfDB_Charlotte@srmun.org Matthew Hunnicutt Assistant Director AfDB_Charlotte@srmun.org Vanessa DuBoulay Director-General DG_Charlotte@srmun.org

Committee History of the African Development Bank

The African Development Bank (AfDB) is one of three organizations within the African Development Bank Group, a Multilateral Financial Institution which is dedicated to the economic development of Africa.¹ The AfDB is an international coalition which fosters and implements sustainable economic and social development efforts on the African continent through financing of public and private projects.² Following the end of the colonial period in Africa, a continent-wide movement for increased unity led to the establishment of two draft charters, one for the establishment of the Organization of African Unity (established in 1963, later replaced by the African Union), and one for a regional development bank.³ From here, an agreement establishing the AfDB was co-signed by twenty-three African governments on August 4, 1963, and was ratified on September 10, 1964. On July 1, 1966, the AfDB began operating as a fully-functioning international organization that had the ability to implement its mission by providing financing for projects with the goal of driving development and social progress throughout the African continent.⁴ Today, the AfDB has enjoined 54 African Member States, as well as 25 Non-Regional Member States, and is headquartered in Abidian. Côte d'Ivoire.⁵ The committee procedure is unique among inter-governmental bodies, as voting powers are based on financial contributions made by individual Member States.⁶

The overarching mission of the AfDB is to encourage sustainable economic growth and reduce poverty, thus resulting in an improved quality of life in Africa.⁷ The AfDB facilitates and supports efforts initiated by Regional Member Countries (RMCs) through direct investment, while offering policy advice for all Members and Non-Regional Members working to further the development of Africa.⁸ In order to achieve its mission, the AfDB has devised two main objectives, which are: "mobilizing and allocating resources for investment in RMCs; and providing policy advice and technical assistance to support development efforts."9 The AfDB's 2013-20222 ten-year strategy plan focuses on: infrastructure development; regional integration; private sector development; governance and accountability; and, skills and technologies.¹⁰ In doing so, the AfDB has the ability to centralize its focus on five areas of African development, including: Infrastructure Development and Regional Integration by fragile Member States; Private Sector Development and Governance; Accountability with regard to Agriculture and Technology; Skills and Technology advancement; and Regional Integration and Private Sector Development with Gender Inequality Cognizance.¹¹ As one of five major global multilateral development banks in the world, the AfDB aims to foster positive change and advancements through financial growth.¹²

Upon its inauguration, the founding RMCs affirmed their commitment to the AfDB's mission to promote the economic advancement of individual RMCs, and the continent as a whole, when the 20 participating Member States directly contributed 65 percent of its capital stock, totaling USD \$250 million.¹³ With regard to financing, the AfDB was formed with the intent to support its Member States with access to financing through various means, including lending and facilitating multilateral financing with multiple Member States and Non-Governmental Organizations.¹⁴ As a coalition with a continental focus, the AfDB focuses its efforts on infrastructure development to lower the costs of

¹ "African Development Bank," Internet Archive, <u>https://web.archive.org/web/20130121235140/http://www.hha-</u>

online.org/hso/partner/african-development-bank/ (Accessed June 29, 2019).

² "About Us," African Development Bank Group, <u>http://www.afdb.org/en/about-us/</u> (Accessed June 10, 2019).
³ "About Us," African Development Bank Group.

¹¹ "AfDB Group Financial Presentation - May 2014,"

- ¹² "African Development Bank in Brief," African Development Bank.
- http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/AfDB in Brief.pdf/ (Accessed June 10, 2019).
- ¹³ "African Development Bank in Brief," African Development Bank.
- ¹⁴ "African Development Bank in Brief," African Development Bank.

⁴ African Development Bank (AfDB)," http://www.afdb.org/en/about-us/african-development-bank-afdb,/ (Accessed June 10, 2019).

⁵ "Countries," African Development Bank Group, https://www.afdb.org/en/countries/ (Accessed June 29, 2019).

⁶"Distribution of Voting Power by Executive Director as at 31 May 2019," African Development Bank Group, https://www.afdb.org/fileadmin/uploads/afdb/Documents/Boards-Documents/ADB Voting powers as at 31 May 2019.pdf/ (Accessed June 29, 2019).

⁷ "Mission & Objective," African Development Bank Group, http://www.afdb.org/en/about-us/mission-objective/ (Accessed June 10, 2019).

⁸ "Mission & Objective," African Development Bank Group.

 ⁹ "Mission & Objective," African Development Bank Group.
 ¹⁰ "Mission & Objective," African Development Bank Group.

http://www.afdb.org/fileadmin/uploads/afdb/Documents/FinancialInformation/AfDB Group Financial Presentation_May_2014. pdf/ (Accessed June 10, 2019).

investments and conduct business in Africa by advising governments on creating business-friendly policies.¹⁵ Further, the African Development Bank seeks to foster sustainable regional industries, private sector development, improvements in institutional quality, and economic sustainability.¹⁶

In 1982, the AfDB saw a substantial increase in its funds, from an initial capital stock of USD 250 million to USD 2.9 billion, through the admission of states from outside of Africa.¹⁷ This was done to meet the growing demand for investment in Africa.¹⁸ Within a year, the AfDB was able to acquire an additional USD 6.3 billion in funds as a result of the admission of Non-Regional Member States, many of whom again made significant contributions.¹⁹ During the Fifth General Capital Increase in 1998, the AfDB achieved a record high of a 35 percent capital increase and attributed 60 percent of its shareholding to Regional Member States and 40 percent to Non-Regional Member States.²⁰

Within the region, the AfDB has advocated for the formation of other international organizations that promote African development through financial investments.²¹ The AfDB often cooperates with regional organizations, such as the Africa Re-Insurance Corporation, Shelter Afrique, Association of African Development Finance Institutions, Federation of African Consultants, the Africa Project Development Facility (APDF), the International Finance Company for Investments in Africa, African Management Services Company, African Business Round Table, African Export-Import Bank, African Capacity Building Foundation, Joint Africa Institute and the PTA Bank.²²

The AfDB actively pursues institutional and developmental reform that optimizes efficiency and effectiveness to best provide services to Member States.²³ To ensure accountability and strengthen the AfDB's capacity for fostering economic growth, structural reform is often taken according to the needs of Member States, especially in precarious situations.²⁴ There are other issues that must be addressed as well, such as the decline of Africa's share of global trade.²⁵ To bolster the presence of Africa within the global economic system, the AfDB remains strongly interested in promoting international commercial programs, as well as extending membership to non-regional Member States.²⁶ Corruption continues to thrive across the continent, which hinders governments' ability to create a fair environment for businesses and individuals to prosper.²⁷ While the AfDB has struggled to solve these issues, it has a proven record of driving progress.²⁸ The AfDB has succeeded in helping women not only break into male dominated fields, such as construction and engineering, but also excel and receive accolades within their field.²⁹ It has also helped increase access to power grids and create new industries within a region.³⁰ The AfDB has proven to be able to help drive innovation, and address the issues facing the African Continent.

- ¹⁵ "AfDB Group Financial Presentation May 2014," African Development Bank. http://www.afdb.org/fileadmin/uploads/afdb/Documents/FinancialInformation/AfDB_Group_Financial Presentation_-May 2014.pdf/ (Accessed June 10, 2019).
- ¹⁶ "AfDB Group Financial Presentation May 2014," African Development Bank.
- ¹⁷ "African Development Bank Group: Building today, a better Africa tomorrow," http://www.afdb.org/en/about-us/history/ (Accessed June 10, 2019).
- ¹⁸"History," African Development Bank,
 - https://www.afdb.org/en/about-us/corporate-information/history/ (Accessed June 29, 2019).
- ¹⁹ "History," African Development Bank.
 ²⁰ "History," African Development Bank.
- ²¹ "African Development Bank Group: Building today, a better Africa tomorrow," African Development Bank. http://www.afdb.org/en/about-us/afdbsstrategy/context/ (Accessed June 10, 2019).
- ²² "African Development Bank Group: Building today, a better Africa tomorrow," African Development Bank.
- ²³ "Structure," African Development Bank. <u>http://www.afdb.org/en/about-us/structure/</u> (Accessed June 10, 2019).
- ²⁴ "Structure," African Development Bank.
- ²⁵ "Action Plan for Boosting Intra-African Trade," African Union,
- http://www.au.int/en/sites/default/files/Action%20Plan%20for%20boosting%20intra-African%20trade%20FEnglish.pdf/ (Accessed June 10, 2019).
- ²⁶ "African Development Bank in Brief," African Development Bank. http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/AfDB_in_Brief.pdf (Accessed June 10, 2019).
- ²⁷ "Corruption in Africa: 75 million people pay bribes," Transparency International, https://www.transparency.org/news/feature/corruption in africa 75 million people pay bribes (Accessed June 29, 2019).
- ²⁸ "Women walking the road less taken and shining," African Development Bank Group, https://www.afdb.org/en/news-and-events/southafrica-women-walking-the-road-less-taken-and-shining-19326/ (Accessed June 29, 2019).
- ²⁹ "Women walking the road less taken and shining," African Development Bank Group.
- ³⁰ "Women walking the road less taken and shining," African Development Bank Group.

I. Decreasing Poverty through Agriculture and Agro-Industries

Introduction

Nearly 400 million people in sub-Saharan Africa are currently living in extreme poverty.³¹ The enhancement of sustainable agricultural and rural development is fundamental to the attainment of the Millennium Development Goals (MDGs) in Africa, particularly the eradication of poverty, hunger, and malnutrition.³² While many states located on the African continent have among the highest proportion of potential arable land globally, according to a Food and Agricultural Organization (FAO) 2016 study, 233 million people living in Africa are undernourished.³³ This paradox is the reason that the African Development Bank (AfDB) has launched initiatives and funded significant programs in agricultural and agro-industry development with the goal of strengthening the overall economic and social development of the African people, their communities, and the continent.³⁴ Agro-industry is not only a joint venture with agriculture, but it is the business of converting raw agricultural material into value added products while generating income and employment and contributing to overall economic development.³⁵

The AfDB's Bank Group Vision for Agriculture and Rural Development has a central goal of poverty reduction. The strides being made in agriculture and agro-industry through the Bank Group Vision have helped employ large numbers of African people, helped agriculture become the main contributor to Africa's Gross Domestic Product (GDP), and proved that agriculture is a transformative industry benefitting the overall economic and social growth of the continent.³⁶ In addition, the AfDB assumes a catalytic role in supporting the technological, institutional, and policy changes that are designed to trigger a long-term transformation of the economies of Regional Member Countries (RMCs) by empowering their rural populations to increase their productivity and incomes in an equitable and environmentally sustainable manner.³⁷

History

Addressing Poverty through the United Nations

In December 1992, the General Assembly passed A/RES/47/196 (GA) which established 17 October as the International Day for the Eradication of Poverty.³⁸ This resolution called for all Member States to devote the day to presenting and promoting concrete activities centered on the eradication of poverty and destitution on a national level. In addition, the resolution invited the UN Secretary-General to make recommendations on how the UN Secretariat could support Member States in the organization and implementation of their national activities. Further, this resolution invited intergovernmental and non-governmental organizations to assist Member States in doing the same.³⁹ While the support of the UN system is essential, their assistance will have the most impact when Member States put in place integrated policies to fight poverty at the local, national, and regional levels.⁴⁰

³¹ "African Agriculture," African Development Bank Group, <u>https://www.afdb.org/en/topics-and-sectors/sectors/agriculture-agro-industries/african-agriculture/</u> (Accessed August 2, 2019).

³⁴ "Agro-Industry Development," African Development Bank Group, <u>https://www.afdb.org/en/topics-and-sectors/sectors/agriculture-agro-industries/agro-industry-development/</u> (Accessed August 2, 2019).

³⁵ "Biotechnologies in Agro-industry in Developing Countries," Food and Agricultural Organization of the United Nations, <u>http://www.fao.org/biotech/sectoral-overviews/agro-industry/en/</u> (Accessed December 13, 2019).

³⁶ "Agriculture & Agro-industries," African Development Bank Group, <u>https://www.afdb.org/en/topics-and-sectors/sectors/agriculture-agro-industries/</u> (Accessed August 2, 2019).

³⁷ "Agriculture & Agro-industries," African Development Bank Group.

³⁸ United Nations General Assembly, Resolution 196, Observance of an International Day for the Eradication of Poverty, A/RES/47/196, March 31, 1993, <u>https://undocs.org/en/A/RES/47/196</u>

- ³⁹ United Nations General Assembly, Resolution 196,
- ⁴⁰ "Third United Nations Decade for the Eradication of Poverty 2018-2027," United Nations, Department of Economic and Social Affairs, <u>www.un.org/development/desa/socialperspectiveondevelopment/united-nations-decade-for-the-eradication-of-poverty/third.html/</u> (Accessed August 2, 2019).

³² "African Agriculture," African Development Bank Group.

³³ Chowdhury, Anis, and Jomo Kwame Sundaram. "Hunger in Africa, Land of Plenty." Hunger in Africa, Land of Plenty. <u>http://www.ipsnews.net/2017/10/hunger-africa-land-plenty/</u> (Accessed August 2, 2019).

Subsequently, in March 1995 the UN hosted the World Summit for Social Development (WSSD) in Copenhagen.⁴¹ Participating Member States pledged to conquer poverty by setting the twin goals of full employment and the fostering of social integration as the prevailing objectives of development.⁴² At the conclusion of the World Summit for Social Development, participating Member States adopted a Declaration and Program of Action which highlighted a consensus to establish a people-centered framework for social development in effort to build a culture of cooperation and partnership and to respond to the immediate needs of those who are most affected by human distress.43

In A/RES/72/233, the General Assembly proclaimed the Third UN Decade for the Eradication of Poverty (2018-2027), bearing the theme of "Accelerating Global Actions for a World Without Poverty" and in line with the 2030 Agenda for Sustainable Development.⁴⁴ The resolution further called upon Member States and the international community to continue to strive for more inclusive, equitable, and development-oriented sustainable socioeconomic approaches to overcoming poverty.⁴⁵ Most significantly, the resolution called for persistent and continuous investments in sustainable agriculture and for high quality, reliable, sustainable, and resilient infrastructure to support economic development and human well-being.⁴⁶ Specifically, the resolution focuses on affordable and equitable access for all, enhancing interconnectivity, achieving access to energy, and improving access to financial services.⁴⁷ Additional portions of the resolution call upon the international community to incite productive rural employment and implement or enhance climate change mitigation efforts.⁴⁸

The United Nations (UN) 2030 Agenda for Sustainable Development lays out a global plan of action to ensure peace, prosperity, and sustainability for all global citizens and for the planet.⁴⁹ Of the 17 goals, the first and perhaps the most indispensable goal is the eradication of poverty.⁵⁰ This Sustainable Development Goal (SDG), tasked to combat poverty, seeks to ensure a substantial mobilization of resources to provide an adequate means for developing and underdeveloped Member States to implement programs and effectuate policies to end poverty in all forms.⁵¹ In relation to agriculture and agro-industry, this first SDG aims to create sound policy frameworks at national and regional levels based on development strategies targeted to uplift financially-vulnerable populations and to ensure that by 2030, all people have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, natural resources, appropriate new technology, and financial services, including microfinance.⁵²

Financing through the World Bank

Agriculture can help reduce poverty, raise incomes, and improve food security for 80 percent of the world's financially-vulnerable people, many of whom reside in rural areas and work mainly in agriculture and farming.⁵³ The World Bank Group is a leading financier of agriculture, sustaining USD 6.8 billion in new International Bank for Reconstruction and Development (IBRD) and International Development Association (IDA) commitments in 2018.⁵⁴ It is anticipated that a positive influx of agricultural development would be capable of feeding a projected 9.7 billion people by 2050.55 In 2018, 93 projects that were implemented in the African region with the assistance of

⁴¹ "World Summit for Social Development 1995," United Nations, Department of Economic and Social Affairs,

- https://www.un.org/development/desa/dspd/world-summit-for-social-development-1995.html/ (Accessed August 2, 2019).
- ⁴² "World Summit for Social Development 1995," United Nations, Department of Economic and Social Affairs.
- ⁴³ "World Summit for Social Development 1995," United Nations, Department of Economic and Social Affairs.
- ⁴⁴ "Third United Nations Decade for the Eradication of Poverty 2018-2027," United Nations, Department of Economic and Social Affairs, www.un.org/development/desa/socialperspectiveondevelopment/united-nations-decade-for-the-eradication-of-poverty/third.html/ (Accessed August 2, 2019).

⁴⁵ "Third United Nations Decade for the Eradication of Poverty 2018-2027," United Nations, Department of Economic and Social Affairs.
 ⁴⁶ "Third United Nations Decade for the Eradication of Poverty 2018-2027," United Nations, Department of Economic and Social Affairs.
 ⁴⁷ "Third United Nations Decade for the Eradication of Poverty 2018-2027," United Nations, Department of Economic and Social Affairs.
 ⁴⁸ "Third United Nations Decade for the Eradication of Poverty 2018-2027," United Nations, Department of Economic and Social Affairs.
 ⁴⁸ "Third United Nations Decade for the Eradication of Poverty 2018-2027," United Nations, Department of Economic and Social Affairs.

⁴⁹ "Transforming Our World: The 2030 Agenda for Sustainable Development," United Nations,

https://sustainabledevelopment.un.org/post2015/transformingourworld/ (Accessed August 2, 2019).

- ⁵⁰ "Transforming Our World: The 2030 Agenda for Sustainable Development," United Nations.
- ⁵¹ "Ending Poverty," United Nations, https://www.un.org/en/sections/issues-depth/poverty/ (Accessed August 2, 2019).

⁵² "Ending Poverty," United Nations.

- ⁵³ "Agriculture and Food," The World Bank.
- ⁵⁴ "Agriculture and Food," The World Bank.
- ⁵⁵ "Agriculture and Food," The World Bank.

the World Bank helped provide 5.6 million farmers with agricultural assets and services and aided 2 million farmers in the adoption of improved agricultural technologies.⁵⁶

The World Bank has undertaken projects in Africa to supply agricultural workers with improved agricultural technology that has assisted in increased productivity and enhanced the economies of Member States and their surrounding regional areas.⁵⁷ For example, in Rwanda between 2010 and 2018, the World Bank helped support more than 410,000 farmers, 50 percent of them women.⁵⁸ The World Bank's assistance in improving Rwandan agricultural production resulted in developing over 7,400 hectares for marshland irrigation, providing hillside irrigation on over 2,500 hectares, and improving soil conservation and erosion on more than 39,000 hectares of hillsides.⁵⁹ In turn, maize, rice, and potato yields have all more than doubled and around 2.50 tons of vegetables are exported to Europe weekly.⁶⁰

Further, in Cote d'Ivoire between 2011 and 2017, the World Bank provided equipment and training to bolster productivity for 50,000 rice farmers, 25 percent of them women.⁶¹ Another initiative helped rehabilitate 3,013 kilometers of rural roads and provide planting material for 9,820 hectares of cocoa, 8,570 hectares of rubber trees, and 8,101 hectares of palm oil trees-ultimately benefiting 117,855 people.⁶² The World Bank also helped generate USD 21 million in private sector investment to bolster productivity on at least 26,500 hectares.⁶³

Additional World Bank initiatives can be seen in Burkina Faso, where between 2007 and 2017 a project financed by the World Bank developed value chains for livestock, poultry, onion, and mangoes.⁶⁴ The incomes of most beneficiaries rose by more than 50 percent as a result of the project, and agricultural exports from these supply chains increased by 10 times, ultimately benefitting more than 385,000 people, 30 percent of them women.⁶⁵

Of the few multilateral development banks (MDBs), the World Bank functions as a creditor-dominant bank while the AfDB purposes as a borrower-dominant bank. The World Bank obtains its funds from its "contributor countries" and shareholders. Juxtaposed to the World Bank's shareholders, the AfDB's shareholders are often reluctant to contribute directly to the AfDB due to the continent's history and current governance structure.⁶⁶ As a borrowerdominant bank, the AfDB is able to acquire funding for social and economic development projects from the direct funding of the World Bank, thus indirectly from the World Bank's contributors.⁶⁷ Nonetheless, the legitimacy and necessity of the AfDB is indispensable, as the AfDB focuses on the specific needs for funding for Africa, and the World Bank works to promote and enhance various programs in nearly every region across the globe. Hence why the World Bank is not the sole multilateral development bank and why almost every region has instituted an autonomous MDB.68

- ⁶⁶ Birdsall, Nancy. The Dilemma of the African Development Bank: Does Governance Matter for the Long-Run Financing of the MDBs? Center for Global Development, https://www.cgdev.org/sites/default/files/dilemma-afdb-does-governance-matter-longrun-financing-mdbs.pdf./ (Accessed September 24, 2019).
- ⁶⁷ Birdsall, Nancy. The Dilemma of the African Development Bank: Does Governance Matter for the Long-Run Financing of the MDBs? Center for Global Development.
- ⁶⁸ Birdsall, Nancy. The Dilemma of the African Development Bank: Does Governance Matter for the Long-Run Financing of the MDBs? Center for Global Development.

⁵⁶ "Agriculture and Food," The World Bank.
⁵⁷ "Agriculture and Food," The World Bank.
⁵⁸ "Agriculture and Food," The World Bank.
⁵⁹ "Agriculture and Food," The World Bank.
⁶⁰ "Agriculture and Food," The World Bank.
⁶¹ "Agriculture and Food," The World Bank.
⁶³ "Agriculture and Food," The World Bank.
⁶³ "Agriculture and Food," The World Bank.
⁶⁴ "Agriculture and Food," The World Bank.
⁶⁵ "Agriculture and Food," The World Bank.
⁶⁶ Birdsall Nancy. *The Dilamma of the Africa*

The African Development Bank Strategy

While the AfDB benefits greatly from the assistance of the UN, the World Bank, and other stakeholders and investors, the AfDB acts independently.⁶⁹ In May of 2016, the AfDB issued Feed Africa 2016-2025: Strategy for Agricultural Transformation in Africa.⁷⁰ This strategy lays out the framework for agricultural transformation and its implementation, as well as the risks and mitigations to be assumed.⁷¹ The Feed Africa Strategy includes one specific initiative known as the "Technologies for Africa's Agricultural Transformation" (TAAT), which purposes to improve agricultural technologies so as to bolster productivity and transform agriculture throughout Africa.⁷² This initiative aims to ensure that Africa is not only able to feed itself, but also that agriculture becomes a means for long-term growth, sustainability, and shared prosperity.⁷³ TAAT further introduces new practices, including: the application of information and communication technologies (ICTs) to agriculture, the introduction of new financial services, the modernization of agricultural value chains, and the inclusivity of underserved populations in Africa, namely women and children.⁷⁴

Feed Africa exemplifies the AfDB's commitment to transforming agriculture and agro-industry in Africa into a globally competitive, business-oriented sector that generates wealth and employment, and improves quality of life.⁷⁵ Feed Africa maintains four core goals to accomplish by 2025: (1) to contribute to eliminating extreme poverty in Africa; (2) to end hunger and malnutrition in Africa; (3) to make Africa a net food exporter; and (4) to move Africa to the top of global value chains.⁷⁶

As previously mentioned, the AfDB has made significant developments in agro-industry, not only in its joint ventures with agriculture, but in the business of converting agricultural material into value added products while generating income and employment and contributing to overall economic development. To achieve the abovementioned objectives, the AfDB has undertaken several initiatives to continue to develop the agro-industry sector to stimulate socioeconomic growth of the continent. These initiatives include: the catalyzation of effective input distribution systems to reduce post-harvest waste and loss; the facilitation of increased investment into output markets and supporting market incentives for increased production; the increase in investment into enabling infrastructure, both hard infrastructure (i.e. roads, energy and water) and soft infrastructure (i.e. ICTs); the promotion of agribusiness; the assurance that transformation delivers on broad-based needs of Africans, by safeguarding inclusivity, sustainability and effective nutrition beyond what the market may deliver otherwise; and, the coordination of activities to kick start transformation, align activities and investments of different actors, and guide initial activities to the point where private sector actors can be crowded in.⁷⁷ These initiatives that the AfDB have started or have planned, streamline the type of agricultural-based work that has been proven to stimulate socioeconomic growth in regions around the world. The implementation and adoption of these practices and initiatives seeks to unite the African continent by solving or mitigating the current challenges of poverty, hunger and malnutrition while jumpstarting the economic and social sectors with a forward-facing outlook.

Current Challenges

The African continent and its Member States are plagued with conditions that have historically hindered their socioeconomic progress.⁷⁸ These past setbacks have delayed the development of many African Member States in the

⁷⁰ "Feed Africa: Strategy for Agricultural Transformation in Africa 2016-2025," African Development Bank.

⁷¹ "Feed Africa: Strategy for Agricultural Transformation in Africa 2016-2025," African Development Bank.

⁷² "Feed Africa: Strategy for Agricultural Transformation in Africa 2016-2025," African Development Bank.

⁷³ "Feed Africa: Strategy for Agricultural Transformation in Africa 2016-2025," African Development Bank.

⁷⁴ "Feed Africa: Strategy for Agricultural Transformation in Africa 2016-2025," African Development Bank.

⁷⁵ "Feed Africa: Strategy for Agricultural Transformation in Africa 2016-2025," African Development Bank.

⁷⁶ "Feed Africa: Strategy for Agricultural Transformation in Africa 2016-2025," African Development Bank.

⁷⁷ "Feed Africa: Strategy for Agricultural Transformation in Africa 2016-2025," African Development Bank.

⁷⁸ "The Economic Decline in Africa," The National Bureau of Economic Research, <u>https://www.nber.org/digest/jan04/w9865.html/</u> (Accessed December 13, 2019).

present and will continue to do so in the future if current challenges are not addressed.⁷⁹ Being that Africa has the a very high proportion of potential arable land, advancements in agriculture and agro-industry must be implemented in order to foster sustainable development and enhanced socio-economic conditions in various areas. These areas correspond to three significant socioeconomic challenges that many countries in Africa currently face: youth unemployment; unsustainable infrastructure, and; food insecurity coupled with natural resource scarcity.

First, Africa's youth population is perhaps the continent's greatest asset, growing at a rapid rate annually and expecting to double to over 830 million by 2050.⁸⁰ From a socioeconomic standpoint, this increase in the working age population could be highly beneficial for increased productivity and economic growth across Africa.⁸¹ The issue, however, is that the majority of African youth do not have stable economic opportunities.⁸² Of the current 420 million youth in Africa aged 15-25, one-third is unemployed and discouraged, another third is vulnerably employed, and only one in six is in wage employment.⁸³

Youth unemployment in Africa, as it stands now, presents many deleterious consequences. Unemployment renders poor living conditions, drives migration out of Africa, and contributes to internal conflict on the continent.⁸⁴ Addressing the causes of youth unemployment and understanding the necessity of creating opportunities for Africa's greatest growing asset will certainly contribute to inclusive socioeconomic growth.⁸⁵

The AfDB's vision of youth employment and entrepreneurship in Africa is to integrate African youth into its partnerships and initiatives through engagement and employerment.⁸⁶ With a growing vision for advancements in agriculture and agro-industry, it is logical to train and employ Africa's youth in a developing industry. The AfDB's projections reveal continued job growth in agriculture and agro-industries, generating 41 million jobs over the next 10 years.⁸⁷ With the AfDB's focus on agriculture, industrialization, and ICT growth, it is intended that by 2025, over 25 million new jobs will be available for young people and 50 million youth will be trained to be entrepreneurs.⁸⁸

Secondly, one of the world's most increasingly significant challenges is climate change. Africa's already limited infrastructure is being crippled by the negative implications of climate change.⁸⁹ Poor quality of pre-existing infrastructure, the expensive costs of reconstruction repair, and the negative impacts that climate change has had on infrastructure have constrained productivity by up to 40 percent and reduced the continent's GDP by almost two percent per year.⁹⁰ By implementing climate-smart agriculture practices and climate-smart infrastructure and technologies, the continent is projected to see long lasting socioeconomic benefits from the interplay between job creation, food security, and economic success.

Lastly, according to the FAO, 233 million people currently living in Africa are undernourished, although African Member States have the highest proportion of potential arable land, an amount of land that could produce the crops necessary to ensure food security for the entirety of its population.⁹¹ The root cause of food insecurity in underdeveloped and developing States is the inability of people to gain access to food due to poverty.⁹² Over 70 percent of the food-insecure population in Africa lives in rural areas.⁹³ Ironically, smallholder farmers, the producers

⁷⁹ "The Economic Decline in Africa," The National Bureau of Economic Research.

⁸⁰ "Jobs for Youth in Africa: Catalyzing Youth Opportunity Across Africa", African Development Bank, <u>https://www.afdb.org/fileadmin/uploads/afdb/Images/high 5s/Job youth Africa Job youth Africa.pdf/</u> (Accessed August 2, 2019).

- ⁸¹ "Jobs for Youth in Africa: Catalyzing Youth Opportunity Across Africa", African Development Bank.
- ⁸² "Jobs for Youth in Africa: Catalyzing Youth Opportunity Across Africa", African Development Bank.

- ⁸⁵ "Jobs for Youth in Africa: Catalyzing Youth Opportunity Across Africa", African Development Bank.
- ⁸⁶ "Jobs for Youth in Africa: Catalyzing Youth Opportunity Across Africa", African Development Bank.
- ⁸⁷ "Jobs for Youth in Africa: Catalyzing Youth Opportunity Across Africa", African Development Bank.
- ⁸⁸ "Jobs for Youth in Africa: Catalyzing Youth Opportunity Across Africa", African Development Bank.
 ⁸⁹ Linus, Mofor. "Africa Has a \$100 Billion Infrastructure Problem. What's Missing?," Brink News, <u>https://www.brinknews.com/africa-</u>

has-a-100-billion-infrastructure-problem-whats-missing/ (Accessed August 2, 2019).

⁹⁰ Linus, Mofor. "Africa Has a \$100 Billion Infrastructure Problem. What's Missing?," Brink News.
⁹¹ Chowdhury, Anis, and Jomo Kwame Sundaram. "Hunger in Africa, Land of Plenty." Hunger in Africa, Land of Plenty.

http://www.ipsnews.net/2017/10/hunger-africa-land-plenty/ (Accessed August 2, 2019).

⁹² Chowdhury, Anis, and Jomo Kwame Sundaram. "Hunger in Africa, Land of Plenty." Hunger in Africa, Land of Plenty.

⁹³ Chowdhury, Anis, and Jomo Kwame Sundaram. "Hunger in Africa, Land of Plenty." Hunger in Africa, Land of Plenty.

⁸³ "Jobs for Youth in Africa: Catalyzing Youth Opportunity Across Africa", African Development Bank.

⁸⁴ "Jobs for Youth in Africa: Catalyzing Youth Opportunity Across Africa", African Development Bank.

of over 90 percent of the continent's food supply, make up 50 percent of this population.⁹⁴ The rest of the food insecure population consists of the landless poor in rural areas (30 percent) and the urban poor.⁹⁵ To combat food insecurity, the underlying challenges must be addressed: an underdeveloped agricultural sector; barriers to market access; effects of globalization; disease and infection; and handicapping policies.⁹⁶

Challenges of Agro-Industry: Nigeria

Optimal focus on the agricultural sector and agro-industry can fundamentally transform the economy of a Member State, producing food, jobs, industrialization, increased investment, new goods for export, and more.⁹⁷ In most developed Member States, the agricultural sector accounts for at least 15 percent of GDP.⁹⁸ However, in Nigeria, less than ten percent of annual GDP is generated by agriculture and agro-industry.⁹⁹ This represents a dramatic change over the past fifty years, as prior to the discovery of petroleum in Nigeria in the 1970s, agriculture comprised approximately 60 percent of the Nigerian GDP.¹⁰⁰

Nigeria is the wealthiest Member State in Africa, accounting for 17 percent of the GDP of the continent.¹⁰¹ It can serve as a roadmap for other African Member States as it continues to develop its economy. However, to do so, it must reverse the overreliance on profits from petroleum and overcome the challenges that it currently faces regarding agro-industry.

Recognizing this, the Nigerian government has become directly involved in agricultural production, launching numerous programs focused on producing grains, livestock, dairy, and sugar.¹⁰² The Nigerian and Agriculture Co-operative Bank was established to inject money earned from oil production into the agricultural sector to financially support agricultural endeavors and agro-aligned projects.¹⁰³ Additionally, the Nigerian government proactively established policies to promote agricultural work and investment.¹⁰⁴ However, despite all of these investments, and the Nigerian government's recognition that further investment in agriculture and agro-industry is essential to economic development, food insecurity and poverty remain rampant throughout the country. This is due, in large part, to a few factors: corruption, lack of coordination between agro-industry and universities/researchers, lack of adequate financial support, and the effects of climate change.¹⁰⁵ When these factors are compounded by the lack of organization between small, rural farms across a large geographical space, formalizing agro-industry initiatives can prove difficult. Scholars have suggested that by overcoming corruption, and ensuring that the Nigerian government remains committed to its agricultural-enhancement policies, agro-industry can once again flourish and serve as a foundation for the economy of Nigeria to build upon.¹⁰⁶

⁹⁵ Chowdhury, Anis, and Jomo Kwame Sundaram. "Hunger in Africa, Land of Plenty." Hunger in Africa, Land of Plenty.
⁹⁶ Mwaniki, Angela. "Achieving Food Security in Africa: Challenges and Issues" <u>http://www.food-</u>

⁹⁷ O.A. Olaoye, "Potentials of the Agro Industry towards Achieving Food Security in Nigeria and Other Sub-Saharan African Countries," Journal of Food Security, 2014, Vol. 2, No. 1, 33-41. https://www.researchgate.net/profile/Olusegun Olaoye/publication/263843720 Potentials of the Agro Industry towards Achieving Achieving Food Security in Nigeria and Other Sub-Saharan African Countries,"

eving_Food_Security_in_Nigeria_and_Other_Sub-Saharan_African_Countries/links/548977b70cf2ef3447926a27.pdf

¹⁰⁰ Olaoye, "Potentials of the Agro Industry towards Achieving Food Security in Nigeria and Other Sub-Saharan African Countries."
 ¹⁰¹ "African Countries by GDP," *Statistics Times*, March 18 2019. <u>http://statisticstimes.com/economy/african-countries-by-gdp.php</u> (Accessed January 6, 2020).

¹⁰⁵ Olaoye, "Potentials of the Agro Industry towards Achieving Food Security in Nigeria and Other Sub-Saharan African Countries."

⁹⁴ Chowdhury, Anis, and Jomo Kwame Sundaram. "Hunger in Africa, Land of Plenty." Hunger in Africa, Land of Plenty.

security.nl/sites/default/files/resource/achieving_food_security_in_africa.pdf/ (Accessed August 2, 2019).

⁹⁸ Olaoye, "Potentials of the Agro Industry towards Achieving Food Security in Nigeria and Other Sub-Saharan African Countries."
⁹⁹Olaoye, "Potentials of the Agro Industry towards Achieving Food Security in Nigeria and Other Sub-Saharan African Countries."

¹⁰² Olaoye, "Potentials of the Agro Industry towards Achieving Food Security in Nigeria and Other Sub-Saharan African Countries."

¹⁰³ Olaoye, "Potentials of the Agro Industry towards Achieving Food Security in Nigeria and Other Sub-Saharan African Countries."

¹⁰⁴ Olaoye, "Potentials of the Agro Industry towards Achieving Food Security in Nigeria and Other Sub-Saharan African Countries."

¹⁰⁶ Olaoye, "Potentials of the Agro Industry towards Achieving Food Security in Nigeria and Other Sub-Saharan African Countries."

Actions of the AfDB: Partnerships, Collaboration, and Current Initiatives

The Accelerator for Agriculture and Agro-industry Development and Innovation (3ADI+)

The Accelerator for Agriculture and Agro-industry Development and Innovation (3ADI+) was created in 2010 and was fronted by the FAO and the UN Industrial Development Organization (UNIDO). 3ADI+ is a joint value chain and market systems development program which brings together the combined capacities of local, national, regional, and global actors on analysis and technical assistance, ultimately facilitating links, policy dialogue, and investment promotion to develop sustainable value chains.¹⁰⁷ 3ADI+ partners and collaborates with many entities, most significantly for Africa with the AfDB, to deliver maximum impact on the SDGs.¹⁰⁸

3ADI+ is helping governments meet their commitments to the 2030 Agenda for Sustainable Development. This includes an inspection of the impacts on triple bottom line sustainability, which will provide the following: positive economic impacts such as increased incomes and employment opportunities; positive social impacts such as improved food and nutrition, livelihoods, gender equality and workers' rights, and safety; and, positive environmental impacts such as sustainable natural resource management, including climate change adaptation and mitigation.¹⁰⁹

3ADI+ will contribute to and monitor its impact on the SDGs. The program will focus on SDG 1 on poverty reduction, SDG 2 for zero hunger, SDG 8 on decent work and economic growth, SDG 9 on industrial development, SDG 12 on responsible consumption and production, and SDG 17 on partnerships for the goals by delivering as one.¹¹⁰ These specific SDG focuses will require technical assistance, public finance and private investment, and will favorably contribute to positive economic, social, and environmental impacts by facilitating the development of inclusive and sustainable food value chains and market systems.¹¹¹

CAADP

The Comprehensive Africa Agriculture Development Programme (CAADP) was established jointly by the African Union and the New Partnership for Africa's Development in 2013 with the goal of increasing annual agricultural productivity by six percent year-over-year.¹¹² The program consists of four fundamental pillars: land and water management, market access, food supply and hunger eradication, and agricultural research.¹¹³ Since its implementation, CAADP has resulted in an average of a four percent increase in GDP which, while under target, is still considered successful.¹¹⁴ Some of the primary drivers behind the success of the program are the expansion of irrigation, introduction of high-yield crops, utilization of fertilizer in the soil, and increased access to newer technologies.¹¹⁵ However, the level of success varies widely across the continent. New and improved market access policies, research into genetically-modified crops to help their survival in sub-Saharan Africa, and more equal distribution of technological access across the continent are only a few areas of focus of the program moving forward. These will help the program improve and allow it to continue working towards its ultimate goal.¹¹⁶

http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.696.7399&rep=rep1&type=pdf#page=56 (Accessed January 6, 2020).

¹⁰⁷ "3ADI+: Partnering for the Sustainable Development Goals," Food and Agricultural Organization of the United Nations, http://www.fao.org/3/CA1175EN/ca1175en.pdf/ (Accessed August 2, 2019).

 ^{http://www.tao.org/3/CAT17/SEI/CaT17/SEI/C} Competitiveness", The Africa Competitiveness Report 2015, African Development Bank.

¹¹³ Jennifer Mbabazi Moyo, El-Hadj Bah, and Audrey Verdier-Chouchane, "Tranforming Africa's Agriculture to Improve Competitiveness."

¹¹⁴ Jennifer Mbabazi Moyo, El-Hadj Bah, and Audrey Verdier-Chouchane, "Tranforming Africa's Agriculture to Improve Competitiveness."

¹¹⁵ Jennifer Mbabazi Moyo, El-Hadj Bah, and Audrey Verdier-Chouchane, "Tranforming Africa's Agriculture to Improve Competitiveness."

¹¹⁶ Jennifer Mbabazi Moyo, El-Hadj Bah, and Audrey Verdier-Chouchane, "Tranforming Africa's Agriculture to Improve Competitiveness."

Conclusion

The African Development Bank's overarching mission is to enhance sustainable economic development and social progress in its regional Member States, thus contributing to poverty reduction. The biggest challenge continues to be an estimated 400 million people living in extreme poverty in sub-Saharan Africa, more than half of whom are food insecure or undernourished. Through the AfDB's partnerships and initiatives, Africa's socioeconomic future appears to be improving. The goals being set, and the strides being made in agriculture and agro-industry are certain to contribute to a transformative industry in which jobs are created, resources are sustained, and poverty is ultimately reduced. The AfDB plays a catalytic role in supporting agriculture and agro-industry and through this, rural communities, Member States, the African Continent and the global community will begin to see and feel the positive effects of a thriving Africa.

Committee Directive

Many African Member States, regional areas, and individual communities have been historically plagued with economic, political, and social hardships. In order to ensure that Africa's economic and social future are preserved and empowered, it is essential that the current challenges facing the continent are addressed. With the furtherance of globalization and the increasing inequality of wealth, it has undoubtedly created headwinds for development for many African communities and Member States. With the intention of addressing these complex challenges on a local, national, regional and international scale, all Member States must produce a plan of action. Are these issues better addressed by individual Member States, or collectively by region or Africa as a whole? In this time of economic slowdown, how can Africa develop their agricultural and agro-industry sector? How would communities provide jobs to youth: through proper education and training? How do we create long-lasting progress in the midst of political and economic instability? All Member States should consider a commitment to eradicating poverty through developments in agriculture and agro-industry be it through infrastructural improvements, technological advancements, implementation of sustainable climate-friendly agricultural technologies, and find solutions to food insecurity and youth unemployment through a thriving agricultural and agro-industrial sector. However, there are inevitable global threats to agriculture and agro-industry. Climate change puts agriculture-driven growth, poverty reduction, and food security at risk, especially in the world's most vulnerable regions. No solution is a perfect onesize, fit-all, but each Member State needs to see the benefits of an enhanced agricultural sector for all Africans, regardless of individualized economic well-being or national tranquility.

II. **Fostering Anti-Corruption Initiatives within the African Continent**

"Corruption is an insidious plague that has a wide range of corrosive effects on societies. It undermines democracy and the rule of law, leads to violation of human rights, distorts markets, erodes the quality of life and allows organized crime, terrorism and other threats to human security to flourish."¹¹⁷

Introduction

Corruption is an issue that affects every Member State in every region of the world.¹¹⁸ Studies show that it creates an environment ripe for human rights violations, mistrust of the government, and economic stagnation, as well as encouraging crime.¹¹⁹ In the year 2015 alone, over 75 million people paid bribes in Africa.¹²⁰ This includes both criminals paying bribes to avoid prosecution for their actions, and regular citizens forced to pay bribes for access to basic services such as schooling, medical care, utilities, and permits to vote in elections.¹²¹ This situation has contributed to a gap in wealth and power between those who engage in corruption and those who do not, disproportionally affecting predominately low-income individuals.¹²² For these reasons and many others, the African Development Bank (AfDB) has made anti-corruption efforts a priority, as it views the existence of corruption as "highly inimical to the achievement of its mandate."¹²³ To investigate corruption, the AfDB maintains the Integrity and Anti-Corruption Department (IACD) which has a mandate to investigate allegations of corruption made against "Bank Group Financed Operations."124

The widespread corruption that Africa faces has been suggested to be a contributing factor to a lack of investment from international businesses into Regional Member Countries (RMCs).¹²⁵ A study conducted by Transparency International showed that 28 percent of business executives chose against doing business in an African Member State due to corruption.¹²⁶ This suggests that the prevalence of corruption is hindering Africa's economic growth by deterring potential investors from participating in an RMC's economy for fear of corruption negatively affecting their business.¹²⁷ The AfDB takes its task to "tackle corruption, [stop] illicit capital flows...[and] an ongoing business to entrench better economic and political governance" very seriously.¹²⁸

History

Africa's history of corruption began under colonialism.¹²⁹ While pre-colonial Africa was not entirely free of corruption, the ethical and spiritual nature of the societies on the continent made it an uncommon phenomenon.¹³⁰

¹¹⁷ United Nations Office on Drugs and Crime, United Nations Convention Against Corruption .

- ¹¹⁸ "Corruption: Costs for Developing Countries" Transparency International, https://www.transparency.org.uk/corruption/corruptionstatistics/corruption-cost-for-developing-countries/ (Accessed August 22nd, 2019)
- ¹¹⁹United Nations Office on Drugs and Crime, United Nations Convention Against Corruption.
- ¹²⁰ "Corruption in Africa: 75 Million People Pay Bribes," Transparency International, https://www.transparency.org/news/feature/corruption in africa 75 million people pay bribes/ (Accessed August 4, 2019).
- ¹²¹ "Corruption in Africa: 75 Million People Pay Bribes," Transparency International.
 ¹²² "Corruption in Africa: 75 Million People Pay Bribes," Transparency International.
- ¹²³ "Integrity and Anti-Corruption" African Development Bank Group, https://www.afdb.org/en/about-us/organisational-structure/integrityand-anti-corruption/ (Accessed August 4, 2019
- ¹²⁴ "Integrity and Anti-Corruption" African Development Bank Group.
- 125 "Corruption: Costs for Developing Countries" Transparency International, https://www.transparency.org.uk/corruption/corruptionstatistics/corruption-cost-for-developing-countries/ (Accessed August 22nd, 2019)
- ¹²⁶ "Corruption: Costs for Developing Countries" Transparency International.
 ¹²⁷ "Corruption: Costs for Developing Countries" Transparency International.
- ¹²⁸ "Nations may go through fragility, but they can exit and become stable, dynamic, prosperous and resilient to debilitating shocks," African Development Bank Group, July 2, 2019, https://www.afdb.org/en/news-and-events/nations-may-go-through-fragilitythey-can-exit-and-become-stable-dynamic-prosperous-and-resilient-debilitating-shocks-says-akinwumi-adesina-presidentafrican-development-bank-24409 (Accessed January 6, 2020).
- ¹²⁹ "Origin of Corruption in Africa and the Way Forward" Chika for Africa, https://chikaforafrica.com/2012/08/21/origin-of-corruption-inafrica-and-the-way-forward/ (accessed August 22,2019)
- ¹³⁰ "Origin of Corruption in Africa and the Way Forward" Chika for Africa.

Decentralized communities lacked the infrastructure and bureaucracy that helps corruption thrive, while strong centralized institutions in civilizations such as the Asante, Yoruba, and Rwandan civilizations helped guard against corruption through their checks and balances, as well as their deep-rooted civic traditions.¹³¹

During the era of colonization, traditional African institutions were replaced with those established by foreign colonial powers.¹³² The direct rule of their communities was replaced with rule from overseas, as governments operated by Africans were replaced with colonial governments designed to serve the colonial powers' own interests.¹³³ New and increased taxation was introduced, with tax collectors frequently using violence in carrying out their responsibilities.¹³⁴ Unlike taxes from pre-colonial civilizations, these revenues were not used locally, but often used instead to pay occupying military forces.¹³⁵ The police forces established by colonial powers were intended to protect the interests of the colonizing state over the interests of the local communities.¹³⁶ Analysts have suggested that the civic culture created by the presence of colonial governments has led to the culture of corruption that continues to exist in Africa post-decolonization.¹³⁷ These analysts point to the similarities in cultures of both modern and colonial Africa as proof.¹³⁸ They claim that the modern allegations of practices such as widespread corruption, police forces more occupied with protecting a government for their own benefit, demonstrate that the colonial governments left a lasting and damaging impression on African society.¹³⁹ Further, polling shows a widespread view among Africans in RMCs that these institutions are corrupt and self-serving.¹⁴⁰

As corruption persisted into the 21st century, the AfDB has made anti-corruption efforts a priority.¹⁴¹The IACD was established in November of 2005 and began operations in June of 2006.¹⁴² On July 5, 2012, the Board of Directors for the Bank Group approved a new framework which it implemented with a multi-faceted integrity strategy.¹⁴³ This strategy was comprised of proactive efforts to prevent corruption through risk assessments, training programs, and other activities, as well as making integrity issues a main part of Bank Group activities.¹⁴⁴ It also works outside of bank activities, by providing support to RMCs to improve integrity and accountability.¹⁴⁵ This has allowed for a clearer strategy for addressing corruption and given each department clear roles. The AfDB cooperates in many international and regional initiatives against corruption and strives to create an international environment that deters corruption.¹⁴⁶ The IACD has a history of collaboration with other organizations, such as the Association of Certified Compliance Professionals in Africa (ACCPA), the Coalition for Ethical Operations (CEO) and the Commonwealth Africa Anti-Corruption Centre (CAACC).¹⁴⁷

The IACD also conducts annual reports on integrity and anti-corruption efforts.¹⁴⁸ As shown in the 2017 report, there have been many efforts by the AfDB to fight corruption. The AfDB has conducted training sessions and had the IACD.2 investigate five sanctionable practices (coercion, collusion, corruption, fraud, and obstruction) that affect the Bank's budget or activities financed by the Bank, as well as conducted internal investigations of its own

- ¹³¹ "Origin of Corruption in Africa and the Way Forward" Chika for Africa.
- ¹³² "Origin of Corruption in Africa and the Way Forward" Chika for Africa.
- ¹³³ "Origin of Corruption in Africa and the Way Forward" Chika for Africa
- ¹³⁴ "Origin of Corruption in Africa and the Way Forward" Chika for Africa.
- ¹³⁵ "Origin of Corruption in Africa and the Way Forward" Chika for Africa.
- ¹³⁶ "Origin of Corruption in Africa and the Way Forward" Chika for Africa.
- ¹³⁷ "Origin of Corruption in Africa and the Way Forward" Chika for Africa.
- ¹³⁸ "Origin of Corruption in Africa and the Way Forward" Chika for Africa.
- ¹³⁹ "Origin of Corruption in Africa and the Way Forward" Chika for Africa.
- ¹⁴⁰ "People and Corruption: Africa Survey 2015," AFR Barometer, Transparency International,
- https://www.scribd.com/document/338948012/2015-GCB-SubSaharanAfrica-EN-pdf/ (Accessed August 2, 2019).
- ¹⁴¹ "Integrity and Anti-Corruption" African Development Bank Group, <u>https://www.afdb.org/en/about-us/organisational-structure/integrity-and-anti-corruption/</u> (Accessed August 4, 2019).
- ¹⁴² "Integrity and Anti-Corruption" African Development Bank Group.
- ¹⁴³ "Integrity and Anti-Corruption" African Development Bank Group.
- ¹⁴⁴ "Integrity and Anti-Corruption" African Development Bank Group.
- ¹⁴⁵ "Integrity and Anti-Corruption" African Development Bank Group.

- ¹⁴⁷ "Annual Report 2017," PIAC Office of Integrity and Anti-Corruption.
- ¹⁴⁸ "Annual Report 2017," PIAC Office of Integrity and Anti-Corruption.

¹⁴⁶ "Annual Report 2017," PIAC Office of Integrity and Anti-Corruption, <u>https://www.afdb.org/fileadmin/uploads/afdb/Documents/Generic-Documents/PIAC Annual Report 2017 EN.pdf/</u> (Accessed August 4, 2019).

employees accused of misconduct.¹⁴⁹ Despite these efforts, as well as other efforts made internationally, the report noted that corruption continues to exist and thrive, and appears to be becoming not only more sophisticated, but bolder as well.¹⁵⁰ The AfDB has continued to make anti-corruption efforts a priority, and views the economic rise of Africa as contingent on successfully rooting out corruption As stated by AfDB President Akinwumi Adesina in the 2017 IACD annual report, "As we light up and power Africa, let us also light up systems to detect and deal decisively with corruption."151

Current Situation

In the post-colonial era, corruption continues to be a major issue for RMCs. The use of bribes is incredibly widespread, undermining both the police and court systems in several Member States.¹⁵² This has contributed to a situation where the combination of criminals avoiding sentencing, and bribes being required for access to basic services like nominally free public education, has made bribery a phenomena that affects large portions of the population.¹⁵³ Studies have shown that this disproportionately affects low-income individuals, whose lower economic status can lead to a lack of due process by the justice system due to their inability to pay a bribe, or difficulty obtaining basic services like education and utilities.¹⁵⁴ The widespread use of bribery has been cited as increasing the price of doing business more than necessary, as the extra bribes and payments make it costly.¹⁵⁵

In 2015, Transparency International partnered with Afrobarometer to survey over 40,000 people across 28 sub-Saharan Member States.¹⁵⁶ Polling suggests that the lack of equity in government systems may have the effect of normalizing corruption, as pluralities of those polled in many Member States said they were affected personally by bribery. The same polling also suggests that these conditions undermine the faith of the citizenry in the ability of their governments to act on these issues.¹⁵⁷ The results also showed that a majority of Africans thought corruption was getting worse, not better, and viewed their government's efforts to deter corruption as a failure.¹⁵⁸ The same study demonstrated that many Africans believed there was nothing they could do to stop corruption, and showcased a particularly negative view of the police and of business executives.¹⁵⁹

However, these results are not new. Previous surveys have shown that there has been a long-standing distrust of law enforcement.¹⁶⁰ On the other hand, the negative view of business executives is a new development.¹⁶¹ Notably, of the 28 Member States surveyed, only Senegal, Botswana, and Lesotho, have a net positive perception of their government's efforts to fight corruption, while residents of Swaziland are evenly divided on the matter.¹⁶² This means that in 24 out of the 28 Member States surveyed, the populace had a net negative perception of the work their government had done to combat bribery and corruption.¹⁶³

In reaction to the negative views of Africans on how corruption is being addressed, anti-corruption efforts continue to increase. Many businesses and business executives work against internal and external corruption, both independently and as part of organizations such as the United Nations Global Compact, which works with several

- ¹⁴⁹ "Annual Report 2017," PIAC Office of Integrity and Anti-Corruption.
- ¹⁵⁰ "Annual Report 2017," PIAC Office of Integrity and Anti-Corruption.
 ¹⁵¹ "Annual Report 2017," PIAC Office of Integrity and Anti-Corruption.
- ¹⁵² "Corruption in Africa: 75 Million People Pay Bribes," Transparency International,

https://www.transparency.org/news/feature/corruption in africa 75 million people pay bribes/ (Accessed August 4, 2019). ¹⁵³ "Corruption in Africa: 75 Million People Pay Bribes," Transparency International.
 ¹⁵⁴ "Corruption in Africa: 75 Million People Pay Bribes," Transparency International.
 ¹⁵⁵ "African Business Ending Corruption," Africa Renewal, <u>https://www.un.org/africarenewal/magazine/august-2010/african-business-</u>

- ending-corruption-%E2%80%98priority-number-one%E2%80%99/ (Accessed August 2, 2019).
- ¹⁵⁶ "People and Corruption: Africa Survey 2015," AFR Barometer, Transparency International, https://www.scribd.com/document/338948012/2015-GCB-SubSaharanAfrica-EN-pdf/ (Accessed August 2, 2019).
- ¹⁵⁷ "Corruption in Africa: 75 Million People Pay Bribes," Transparency International, https://www.transparency.org/news/feature/corruption in africa 75 million people pay bribes/ (Accessed August 4, 2019).
- ¹⁵⁸ "People and Corruption: Africa Survey 2015," AFR Barometer, Transparency International,

https://www.scribd.com/document/338948012/2015-GCB-SubSaharanAfrica-EN-pdf/ (Accessed August 2, 2019).

- ¹⁵⁹ "People and Corruption: Africa Survey 2015," AFR Barometer, Transparency International.
- ¹⁶⁰ "People and Corruption: Africa Survey 2015," AFR Barometer, Transparency International.
- ¹⁶¹ "People and Corruption: Africa Survey 2015," AFR Barometer, Transparency International.
- ¹⁶² "People and Corruption: Africa Survey 2015," AFR Barometer, Transparency International.

¹⁶³ "People and Corruption: Africa Survey 2015," AFR Barometer, Transparency International.

businesses to encourage a voluntary rejection of corruption.¹⁶⁴ Additionally, the United Nations Economic Commission for Africa has partnered with the African Union Advisory Board on combatting the issue of Corruption with the mutual goal of ending corruption in Africa and creating a more prosperous continent.¹⁶⁵ Both the United Nations and the African Union have made fighting corruption a priority in the hopes that it will create both economic prosperity and effective governance.¹⁶⁶ Though corruption continues to be a widespread issue, there are efforts both within and without the AfDB to combat it.¹⁶⁷

A Closer Look at Anti-Corruption Efforts

South Africa: The Jacob Zuma Government

The aforementioned report produced by Transparency International and Afrobarometer showed that 79 percent of South Africans believed that the South African Government was handling corruption badly, compared to just 17 percent that believed the South African government was handling it well.¹⁶⁸A large contributor to these numbers were numerous allegations of corruption that affected the Member State, which were focused on the administration of former South African President Jacob Zuma.¹⁶⁹

Zuma and his cabinet members have been investigated for allegations of improper behavior while handling the affairs of the State.¹⁷⁰ A particular point of focus has been three brothers, Atul, Ajay, and Rajesh Gupta, all of whom are wealthy businessmen and all of whom have been accused of improper contact with high ranking officials in Zuma's administration.¹⁷¹ In particular, one government official alleged that the Gupta brothers offered that they could secure him a promotion, as well as alleging that Zuma used his office to benefit the business operations of the Gupta brothers.¹⁷² There have also been several allegations of bribery during Zuma's time in office.¹⁷³ Jacob Zuma has stated that while friends with the Gupta brothers, he was the victim of a foreign plot to remove him from power and has denied wrong doing.¹⁷⁴ Despite Zuma being out of office, these investigations are ongoing and have been attributed as a disruptive force in South African politics. Polling has also demonstrated that an environment of uncertainty and cynicism towards the South African Government continues to exist, despite Zuma being replaced by his successor, Cyril Ramaposa.¹⁷⁵ At time of writing, investigations are still ongoing.

Maritime Anti-Corruption Network

Corruption in Africa has contributed to hindering its ability to engage in trade with the rest of the world.¹⁷⁶ In particular, if ports are affected by bribery and corruption, it makes other Member States and foreign corporations less likely to do business with Africa.¹⁷⁷ In response to this phenomenon, the Maritime Anti-Corruption Network,

- ¹⁶⁴ "African Business Ending Corruption," Africa Renewal, <u>https://www.un.org/africarenewal/magazine/august-2010/african-business-</u> ending-corruption-%E2%80%98priority-number-one%E2%80%99/ (Accessed August 2, 2019).
- ¹⁶⁵ "African Business Ending Corruption," Africa Renewal.
- ¹⁶⁶ "Combating Corruption Improving Governance in Africa," United Nations Economic Commission for Africa, https://www.uneca.org/publications/combating-corruption-improving-governance-africa/ (Accessed August 2, 2019).
- ¹⁶⁷ "Integrity and Anti-Corruption" African Development Bank Group, <u>https://www.afdb.org/en/about-us/organisational-structure/integrity-</u> and-anti-corruption/ (Accessed August 4, 2019).
- ¹⁶⁸ "People and Corruption: Africa Survey 2015," AFR Barometer, Transparency International, <u>https://www.scribd.com/document/338948012/2015-GCB-SubSaharanAfrica-EN-pdf/</u> (Accessed August 2, 2019).
- ¹⁶⁹ Burke, Jason. "Zuma tells South Africa corruption inquiry he is victim of foreign plot," The Guardian, https://www.theguardian.com/world/2019/jul/15/jacob-zuma-south-africa-corruption-inquiry/ (Accessed August 2, 2019).
- ¹⁷⁰ Burke, Jason. "Zuma tells South Africa corruption inquiry he is victim of foreign plot," The Guardian.
 ¹⁷¹ Burke, Jason. "Zuma tells South Africa corruption inquiry he is victim of foreign plot," The Guardian.
- ¹⁷² Burke, Jason. "Zuma tells South Africa corruption inquiry he is victim of foreign plot," The Guardian.
- ¹⁷³ Burke, Jason. "Zuma tells South Africa corruption inquiry he is victim of foreign plot," The Guardian.
- ¹⁷⁴ Burke, Jason. "Zuma tells South Africa corruption inquiry he is victim of foreign plot," The Guardian.
- ¹⁷⁵ "African National Congress" The South African Elections
- https://elections.thesouthafrican.com/political-parties/anc-african-national-congress/ (accessed August 25th, 2019)
- ¹⁷⁶ "Corruption: Costs for Developing Countries" Transparency International, https://www.transparency.org.uk/corruption/corruptionstatistics/corruption-cost-for-developing-countries/ (Accessed August 22nd, 2019)
- ¹⁷⁷ Jaeger, Jaclyn. "Maritime Anti-Corruption Network to develop 'Global Port Integrity Index'," Compliance Week, https://www.complianceweek.com/anti-corruption/maritime-anti-corruption-network-to-develop-global-port-integrityindex/27285.article/ (Accessed August 8, 2019).

which is a global network of over a hundred businesses that focuses on corruption in maritime ports, has launched a global port integrity index which will measure the integrity of major ports across the world based on the number of illicit requests made at each port.¹⁷⁸ The Network is focusing on increasing its efforts in West Africa, which will include training over a thousand port officials against corruption and bribery.¹⁷⁹ The organization believes that this will make these ports safer and less corrupt, which will subsequently allow them to market themselves for more international economic activity.¹⁸⁰ This is viewed as an important development, as Africa's integration into the global economy will positively affect the economic status of African citizens.¹⁸¹ The Maritime Anti-corruption Network has stated that as port integrity increases, so too will the level of trade in these ports which would allow for new jobs, goods, and services, thus diversifying Africa's economy and helping it compete with other regions of the world.182

Conclusion

Despite an increase in efforts into battling corruption, both the existence of, and the perception of, corruption in Africa are on the rise.¹⁸³ Corruption has been connected not only to inefficient governments, and economic stagnation, but also a lack of faith by the people of Africa in their respective governments.¹⁸⁴ Polling shows that Africans not only feel as if corruption is on the rise, but they also feel powerless to stop it.¹⁸⁵ This could make it more difficult for governments to support anti-corruption initiatives, if the citizenry accepts the current environment as normal.¹⁸⁶ This also risks creating a political culture where oversight of government officials, as well as powerful business executives, becomes unlikely due to a lack of public support to drive investigations. When these issues are allowed to fester for too long, they can create a contentious political environment when governments do attempt to investigate, as seen with the fallout from the Jacob Zuma investigations in South Africa.¹⁸⁷ While the structure of the IACD, as well as the efforts made both publicly and privately by Africa and the international community, have provided new tools in fighting corruption, it is clear further efforts and innovations are needed.¹⁸⁸

Building on current Anti-Corruption initiatives will be crucial, as will a frank evaluation of which efforts have been effective, and which have not. Financing also must be considered, as any anti-corruption initiatives will require funding. Regional considerations will also affect the continuing push for anti-corruption, as the political and cultural environment of each Member State may provide both unique ways to battle corruption and unique obstacles that these initiatives must address to be successful. In addressing these issues, Member States may rely on and use the IACD.1 and IACD.2 to both evaluate and investigate, respectively. However, innovation will be required in order to fully combat the increasingly sophisticated and entrenched corruption which exists across the African Continent.

Committee Directive

As they work to develop solutions to the issue of Fostering Anti-Corruption Initiatives within the African Continent, delegates should ask themselves several questions. Does my Member State have specific and unique qualities that lead towards a better or worse environment for corruption? What are some issues affecting the entire continent? Are there more regional concerns regarding corruption that must be addressed? Should Member States work with international organizations, like the UN or the Maritime-Anti Corruption Effort, or would this issue be better addressed by African governments and businesses? What will the roles be for a Regional Member Country as opposed to a Non-Regional Member Country? What are the underlying conditions that create an environment for

¹⁷⁸ Jaeger, Jaclyn. "Maritime Anti-Corruption Network to develop 'Global Port Integrity Index'," Compliance Week.

¹⁷⁹ Jaeger, Jaclyn. 'Maritime Anti-Corruption Network to develop 'Global Port Integrity Index', 'Compliance Week.
 ¹⁸⁰ Jaeger, Jaclyn. 'Maritime Anti-Corruption Network to develop 'Global Port Integrity Index',' Compliance Week.
 ¹⁸¹ Jaeger, Jaclyn. 'Maritime Anti-Corruption Network to develop 'Global Port Integrity Index',' Compliance Week.
 ¹⁸² Jaeger, Jaclyn. 'Maritime Anti-Corruption Network to develop 'Global Port Integrity Index',' Compliance Week.
 ¹⁸² Jaeger, Jaclyn. 'Maritime Anti-Corruption Network to develop 'Global Port Integrity Index',' Compliance Week.

- ¹⁸⁴ "People and Corruption: Africa Survey 2015," AFR Barometer, Transparency International.
- ¹⁸⁵ "People and Corruption: Africa Survey 2015," AFR Barometer, Transparency International.

¹⁸³ "People and Corruption: Africa Survey 2015," AFR Barometer, Transparency International, https://www.scribd.com/document/338948012/2015-GCB-SubSaharanAfrica-EN-pdf/ (Accessed August 2, 2019).

¹⁸⁶ "People and Corruption: Africa Survey 2015," AFR Barometer, Transparency International.

¹⁸⁷ Burke, Jason. "Zuma tells South Africa corruption inquiry he is victim of foreign plot," The Guardian,

https://www.theguardian.com/world/2019/jul/15/jacob-zuma-south-africa-corruption-inquiry/ (Accessed August 2, 2019).

corruption to thrive, and how can they be prevented? Delegates must also understand the tools and technologies that not just allow for corruption but have also made it more sophisticated in recent years. Also important is not just how much financing the AfDB provides, but how it will be allocated, and if the allocation process itself needs more vetting. Delegates will need to work with established procedure set by the IACD, while also looking to see if new innovative solutions can be implemented to better support Anti-Corruption Initiatives in Africa.

Annotated Bibliography

I: Addressing Poverty Reduction through Agriculture and Agro-Industries

African Development Bank. "Agriculture & Agro-Industries." *African Development Bank - Building Today, a Better Africa Tomorrow*. Accessed June 21, 2019. https://www.afdb.org/en/topics-and-sectors/sectors/agriculture-agro-industries

This page details the African Development Bank Group's vision for Agriculture and Rural Development which seeks to strive to become the leading development finance institution in Africa, dedicated to assisting African regional member countries in their poverty reduction efforts. The AFDB is seeking to take a significant and catalytic role within the next ten years to promote and support technological, institutional and legislative changes that will empower poorer rural communities to enhance their productivity with regard to the agricultural and other agro-industries, specifically in an equitable and environmentally sustainable manner.

UNICEF. "Youth of Africa: Unemployment, Social Cohesion and Political Instability." Accessed June 21, 2019. https://www.unicef-irc.org/article/1060-youth-of-africa-unemployment-social-cohesion-and-political-instability.html

UNICEF has released information detailing a large threat for the future of the African Continent: youth unemployment. The youth unemployment rate in Africa, according to the ILO, is 11.8% which directly creates political instability and insecurity, therefore, the youth unemployment question must be adequately prioritized as a key component of poverty alleviation efforts in national and global policy making.

"Agro-Industry in Sub-Saharan Africa." 55 Africa Capital. Accessed June 21, 2019. https://www.55africacapital.com/agroindustry-in-subsaharan-africa-1

The business 55 Africa Capital is an agribusiness that has been involved for many years in a wide range of agro-industrial projects in sub-Saharan Africa and have gained therefore considerable expertise within the sector. They have also considerable expertise in finance. This page expands upon the diverse projects they are involved in which all seek to promote the agricultural business which remains the largest single source of employment and income in Africa and contributes about a quarter of GDP but employs about half the labor force.

Yumkella, Kandeh K. Agribusiness for Africa's Prosperity. Accessed June 21, 2019. https://www.unido.org/sites/default/files/2011-05/Agribusiness_for_Africas_Prosperity_e-book_NEW_0.pdf

The United Nations Industrial Development Organization (UNIDO) published the abovementioned book "Agribusiness for Africa's Prosperity" to serve as a comprehensive study to fill what UNIDO perceives as a substantial gap in the knowledge of agribusiness development in Africa. In summation, the book outlines the following: current status of agribusiness and agro-industrial activities in Africa, in an historical and global context; analyzes the rationale for diversified and socially-inclusive growth through agribusiness development; analyze the development pillars for agribusiness development, in terms of enhancing agricultural productivity, exploiting local, regional and international demand, strengthening technological effort and innovation capabilities, promoting effective and innovative financing, stimulating private participation, and improving infrastructure and energy access; and lastly, focus on visions, policies, strategies and institutions for Africa's agribusiness development and the way forward towards converting plans into action.

II. Fostering Anti-Corruption Initiatives within the African Continent

Transparency International, *Corruption in Africa: 75 Million People Pay Bribes*. Accessed July 15, 2019. https://www.transparency.org/news/feature/corruption_in_africa_75_million_people_pay_bribes_

Transparency International lays out how widespread corruption is in Africa. This report includes statistics on the number of bribes paid, and who it affects the most. It also shows how the widespread corruption causes people to negatively view their governments, police forces, the private sector, and the general direction of their nations.

African Development Bank Group, *Integrity and Anti-Corruption*. Accessed July 15th, 2019. https://www.afdb.org/en/about-us/organisational-structure/integrity-and-anti-corruption

This page lays of the African Development Bank Groups views on corruption, and describes the Integrity and Anti-Corruption Department. It describes the IACD's mandate, as well as its strategy. It establishes that the IACD is an investigative body, and has the codes of conduct for staff members and Executive Directors.

Africa Renewal Online, *For African business, ending corruption 'priority number one'*. Accessed July 15th, 2019. <u>https://www.un.org/africarenewal/magazine/august-2010/african-business-ending-corruption-%E2%80%98priority-number-one%E2%80%99</u>

This article describes what the United Nations Global Compact is, its mission, and how it operates. It adopted its 10th principle on fighting corruption in 2004. This initiative is a group of other 7000 corporations and stakeholders, in 130 countries. This includes 29 sub-Saharan African countries. This article outlines the fundamental problems that create an environment for corruption to grow.

United Nations Economic Commission for Africa, *Combating Corruption Improving Governance in Africa*. Accessed July 15th, 2019.

https://www.uneca.org/publications/combating-corruption-improving-governance-africa

The Regional Anti-Corruption Programme for Africa is an initiative based in Addis Ababa, Ethiopia, that falls under the United Nations Economic Commission for Africa. The program focuses on training and development, as well as information sharing. They also work with civil society groupings, media, and the private sector.

The Guardian, *Zuma tells South Africa corruption inquiry he is victim of foreign plot*. Accessed July 15th, 2019. https://www.theguardian.com/world/2019/jul/15/jacob-zuma-south-africa-corruption-inquiry

A prime example of how corruption can affect a government's politics is how former President of South Africa Jacob Zuma has been investigated for corruption. Former President Zuma has blamed foreign actors for trying to get rid of him. When he was President South Africa was affected by an immense corruption and patronage problem, though he has denied wrongdoing.

Compliance Week, *Maritime Anti-Corruption Network to develop global port index*. Accessed July 15th, 2019. <u>https://www.complianceweek.com/anti-corruption/maritime-anti-corruption-network-to-develop-global-port-integrity-index/27285.article</u>

In this article we see how the Maritime Anti-Corruption, a global network of over 110 companies is working to create a global port index. This global port index will show the amount of illicit demands made in the world's ports. This organization has worked closely with the Nigerian government.