Support to Regional Cooperation and Integration in Africa: What Works and Why?

Fredrik Söderbaum and Therese Brolin

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Sweden’s Support for Development in Africa
Background & motivation for the study

• Long history of support to African integration, esp. to AU, RECs and other regional organizations (ROs)
• ROs extremely donor-dependent (60-80 % of budgets)

1. Lack of systematic knowledge about when and why external support to regional integration works
2. Input to design and implementation of Swedish regional development cooperation with SSA (2016-21)
3. Input to regional programs of other donors
Main questions

1. Why and how does external funding promote positive development outcomes and poverty reduction?
2. Why and how does external funding improve RO performance, esp. close the “implementation gap”?
3. What funding strategies and aid modalities are most effective?
Methodologies and sources of evidence

1. Academic and applied research
2. Aggregate results from 12 donor evaluations
3. In-depth case study of Swedish regional support to SSA (2010-2015)
Swedish regional strategy with SSA (2010-15)

- SEK 3,260 million

- Three priority areas:
  1. Regional economic integration;
  2. Peace and security; and
  3. The environment and climate

- Core feature: Institutional development and capacity-building of intergovernmental ROs, esp. AU & RECs

- Growing “indirect support” via other ROs and actors
Results and recommendations for Swedish regional support
Some general remarks

• Regional support is necessary & probably not better or worse than country/national support

• Some problems to generalise across sectors

• Limitations of evidence-base (including quality of reporting) makes it easier to say what does not work rather than what works!
Q1: Poverty reduction and development impact

1. Weak evidence about "development impact"

2. Reporting focused on "activities" & "outputs" instead of "outcomes" and "development impact"

3. Clarify ends and means — integration & strengthening RO are not the same as development & poverty reduction

4. Improve conceptual precision — "regional development cooperation", "regional development" and "support to regional integration" etc.
Why support to AU & RECs is so difficult and slow — according to Sida’s reports

<table>
<thead>
<tr>
<th>Organizational problems</th>
<th>Inefficient, hierarchical or dysfunctional organizational structure; weak mandate; lack of competent staff; few permanent staff</th>
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<tr>
<td>Relations with member states</td>
<td>Member countries bypass ROs; underfinancing; conflicts btw members</td>
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<td>Relations with donors</td>
<td>Donor dependence; poor communication with donors/Sweden</td>
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<td>Reporting and results</td>
<td>Lack of results framework; poor reporting</td>
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How to understand poor results of AU & RECs & ROs?

1. Institutionalism and pan-Africanism: inspite of many obstacles, states-led and top-down ROs are only means — support to ROs must continue!

2. Critical and new regionalism: top-down ROs are needed, but can also be manipulated or be dysfunctional; market and civil society actors must also better involved — qualify or revise support to states-led ROs and recognize importance of bottom-up regionalization!
Q2: Recommendations

• Problematize AU, RECs and top-down regionalism
• Stop or qualify funding of dysfunctional ROs and projects
• Ensure involvement of private market actors & civil society actors through ”bottom-up regionalization” and flexible designs
• Understand regional context better (cf. PERIA studies)
• Learn more from other donors
Q3: Aid effectiveness & funding strategies

• Bridge gap between Swedish regional and national aid
• Donor coordination should continue (and be improved)
• Increase African ownership
• TMEA versus EAC? — Gain more knowledge about trade-off between project implementation and sustainability/ownership
Some improvements of the new strategy (2016-21)

• Emphasis on expected outcomes instead of activities
• Recognizes need to clarify how regional capacity-building should contribute to long-term development results
• Focuses on “regional actors” — beyond AU and RECs
• Adopts a “holistic” view — seeks synergy between regional and national development cooperation
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Q & A