

Harnessing Knowledge to Accelerate the Implementation of NEPAD

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WHAT IT IS ALL ABOUT

»» Key Questions:
What, why, how, who & when

Objectives

Key Questions– the what, why, how, who and when

- ▶ **WHAT** is the objective?
- ▶ **WHY** is knowledge important for NEPAD?
 - Why has it not contributed optimally to its implementation?
- ▶ **HOW** can knowledge accelerate NEPAD's implementation?
 - How can we harness knowledge to improve the effectiveness of NEPAD structures and processes?
 - How can we harness knowledge to accelerate the implementation of NEPAD priorities?
- ▶ **WHO** should do what **WHEN**?
 - What is the role of NEPAD Structures?
 - What is the role of Government?
 - What is the role of knowledge institutions?
 - What are the roles of internal and external partners?

Objectives

- ▶ How to harness knowledge to accelerate the implementation of the priorities of NEPAD in order to achieve its objectives.
 - We look at it from an economic perspective
- ▶ Accelerating the implementation of NEPAD is important because African countries continue to perform below their potential in terms of growth, eradicating poverty and improving overall well-being of their population, a problem that has been worsened by the recent financial and economic crisis.
- ▶ We argue that one of the key reasons is that knowledge, a vital ingredient of growth and development, is missing in the structures, processes and implementation of NEPAD.

Why knowledge is important for NEPAD



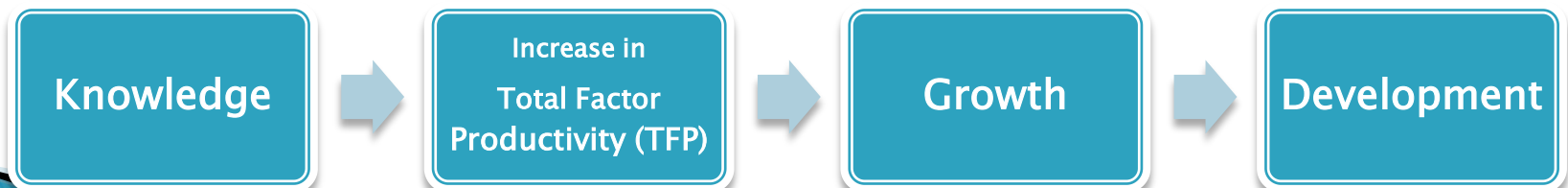
Theory and analysis of knowledge and development

Why knowledge is important for NEPAD

Why knowledge has not contributed optimally to NEPAD's implementation

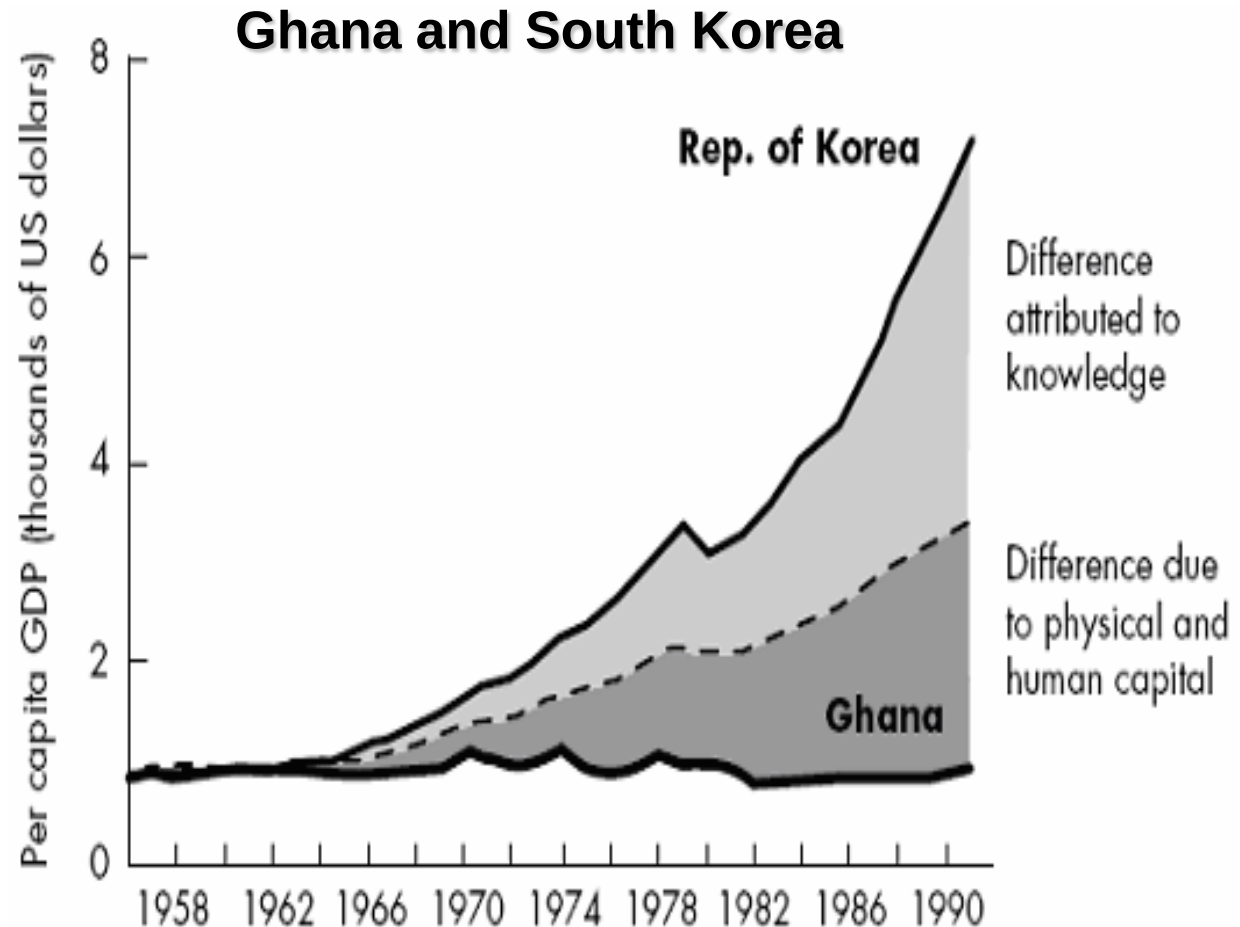
Knowledge and Development: Economic Theory and Analysis

- ▶ The relationship between knowledge and development has been measured through the effect of knowledge on growth (i.e. development is proxied by growth).
- ▶ Knowledge itself is often looked at indirectly through human capital, information, education, innovation or research and development (R&D).
- ▶ The role of knowledge is often looked at in terms of its effect on technological progress, increase in efficiency or productivity and reduction in transaction costs, information imperfections and information asymmetries.
- ▶ Endogenous Growth Theory provides a fuller picture of the process of economic growth and the role that knowledge plays in it than the neoclassical and other theories that precede it.
- ▶ Knowledge is one of the engines of growth and the main driver of development



Why is knowledge important for the implementation of NEPAD?

Because knowledge is important for development and NEPAD is Africa's development programme, therefore, knowledge is important for NEPAD



Source: World Bank

Why has knowledge not contributed optimally to NEPAD's implementation?

- ▶ The field of economics does not create enough knowledge on Africa
 - Africa, which presents the most daunting economic challenge in modern history, does not occupy centre stage in the field of economics
- ▶ African countries have not paid enough attention to knowledge and they have not allocated enough resources to the development, accumulation and dissemination of knowledge
- ▶ African leaders do not seem to recognize the central role that knowledge plays in the development process, hence, they have neither closed the knowledge gap nor built knowledge economies
 - – that is, economies in which knowledge creation, use, adoption and flow leads to economic development.

- ▶ African countries have not adequately addressed
 - the “major forces governing the allocation of resources to the development of knowledge” (Romer, 2001) as well as the preconditions or pillars of the knowledge economy (Chen and Dahlman, 2004):
- ▶ **Conducive economic and institutional regime** to provide incentives for the efficient use of existing and new knowledge and growth of entrepreneurship.
- ▶ **Educated and skilled population and learning-by-doing** to create, share and use knowledge well in new and conventional economic activity.
- ▶ **Adequate information infrastructure** to facilitate the effective communication, dissemination, and processing of information as well as for assembling, managing and sharing of knowledge and for applying knowledge in production processes, policymaking and the development process.
- ▶ **Effective innovation system** made up of firms, research centres, universities and other organizations and support for basic scientific research to tap into the growing stock of global knowledge, assimilate and adapt it to local needs and create new technology.
- ▶ **Private incentives for R&D and innovation.**
- ▶ **Alternative opportunities for talented individuals.** Research shows the “major innovations and advances in knowledge are often the result of the work of extremely talented individuals,” (Romer 2001: 119) who, depending on the realities and nature of incentives they face may chose to use their talents in other ways less beneficial to society.
 - there is a “...strong link between how societies direct the energies of their most able members and whether the societies flourish over the long term.”

Africa has no choice but to embrace knowledge

- ▶ African countries face four realities that give them no choice but to embrace knowledge as the key to their development.
- ▶ **Increasing global economic integration from which African countries cannot isolate themselves.**
 - Indeed one of the key objectives of NEPAD is greater integration of African countries into the global economy and to reduce the marginalization of the continent. In other words, African countries need to build knowledge economies to be able to increase their capacity to trade internationally and to become bigger players in the international scene.
- ▶ **The production and distribution of knowledge has become a major contributor to GDP,**
 - a fact which cannot be ignored by African countries struggling to diversify out of primary commodity production and export. This is an area that requires rapid attention by African countries especially the natural resource poor ones if the objectives of NEPAD are to be achieved.
- ▶ **The spectacular advancement in information technology**
 - which reflects progress in technical knowledge, facilitates the production of an increasing number of other goods and services and for knowledge to be broadly disseminated. This requires quick action by African countries if they are to avoid being further left behind.
- ▶ **The need to use knowledge to address the critical challenges that African countries are facing today:**
 - global financial and economic crisis, food crisis, energy crisis, impact of climate change, the challenges posed by interaction with emerging development partners, the challenge of youth unemployment and the non-implementation of policies, require knowledge.

How knowledge can accelerate the implementation of NEPAD



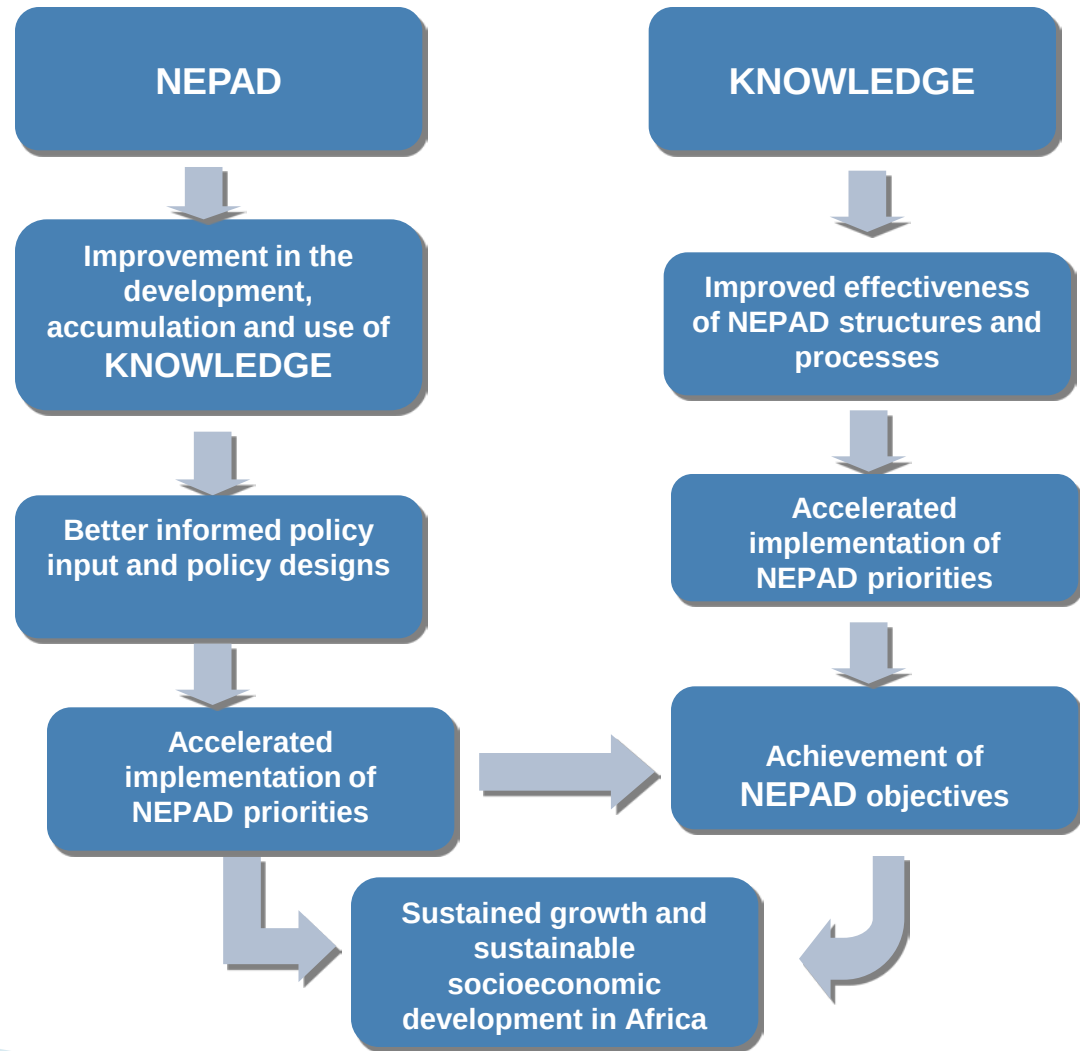
Overview of NEPAD

Harnessing knowledge to improve the effectiveness of NEPAD structures and processes

Harnessing knowledge to accelerate the implementation of NEPAD priorities

How can knowledge accelerate the implementation of NEPAD?

**Knowledge
and NEPAD
are mutually
reinforcing**



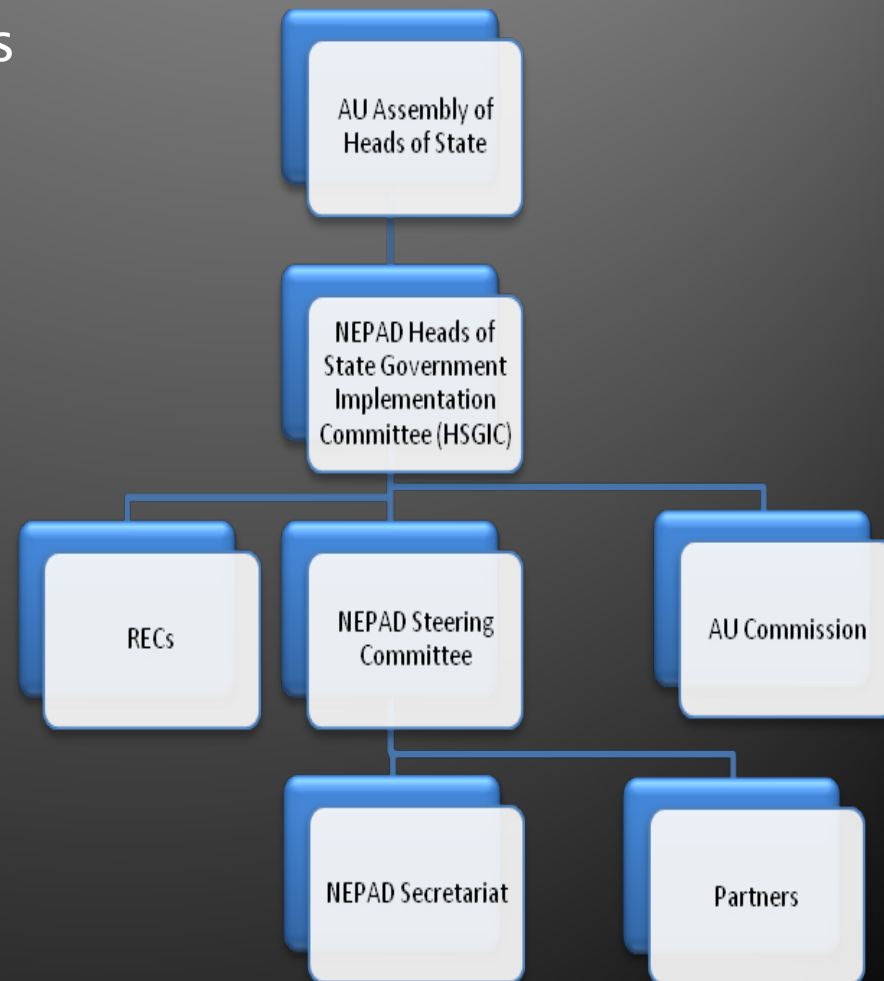
Overview of NEPAD

- ▶ Determining how best to harness knowledge for accelerating NEPAD's implementation requires an understanding of the *NEPAD objectives, structures, principles and relationships*.

- ▶ **Objectives of NEPAD**

- To eradicate poverty;
- To place African countries, both individually and collectively, on a path of sustainable growth and development;
- To halt the marginalization of Africa in the globalization process and enhance its full and beneficial integration into the global economy;
- To accelerate the empowerment of women

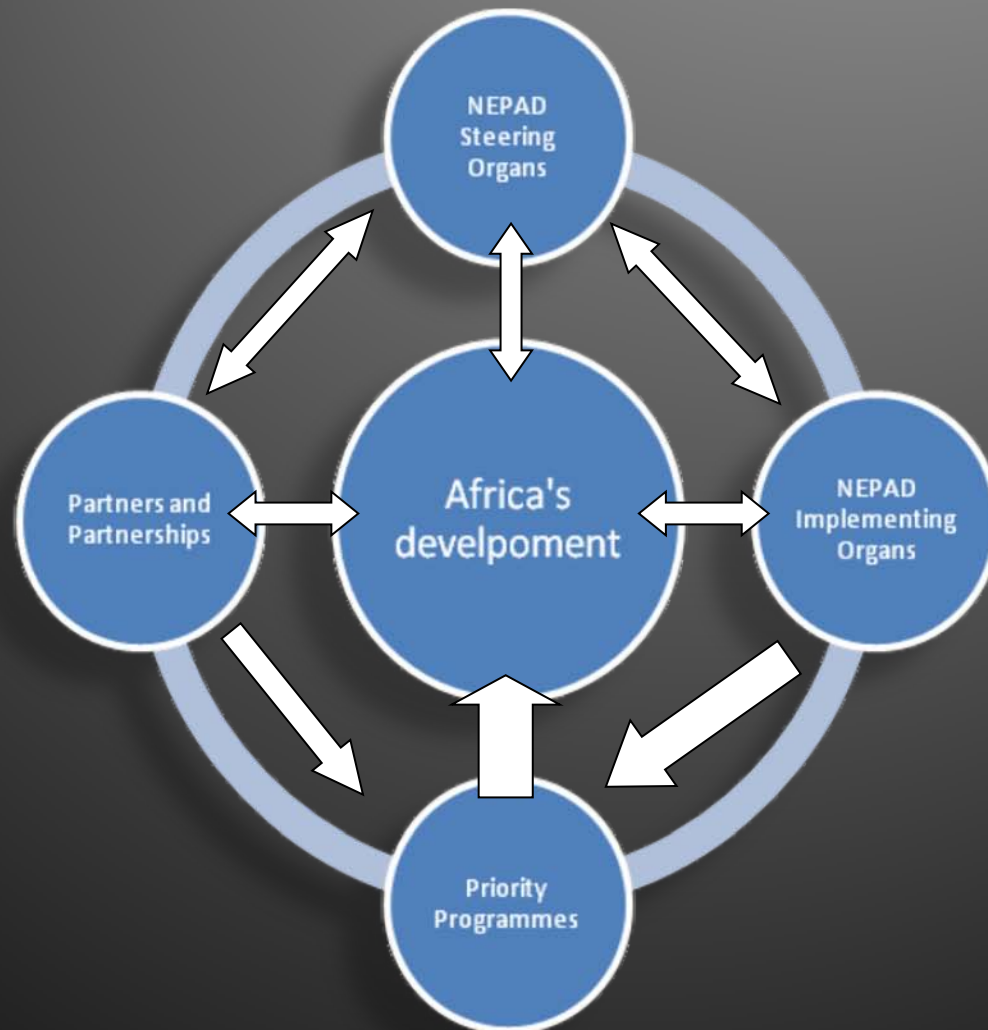
Structures of NEPAD



► The NEPAD Principles

- **Good governance** as a basic requirement for peace, security and sustainable political and socio-economic development
- **African ownership and leadership**, as well as **broad and deep participation** by all sectors of society;
- Anchoring the development of Africa on its **resources and resourcefulness of its people**;
- **Partnership** between and amongst African peoples;
- Acceleration of **regional and continental integration**;
- Building the **competitiveness** of African countries and the continent;
- Forging a **new international partnership** that changes the unequal relationship between Africa and the developed world; and
- Ensuring that all Partnerships with NEPAD are **linked to the Millennium Development Goals** and other agreed development goals and targets.

Relationships



Harnessing knowledge to improve the effectiveness of NEPAD structures and processes

- ▶ Knowledge can be used to improve interaction among the NEPAD Secretariat, the RECs and the countries and their relationships with the AU structures and processes, especially in light of the integration of NEPAD into the structures and processes of the African Union. This will minimize duplication and maximize efficiency.
- ▶ Knowledge can be used to ensure that these structures fulfil their mandate, missions and vision and achieve their objectives.
- ▶ Roles, functions and responsibilities as well as organizational structure can greatly be enhanced by knowledge and so are human resource issues, including capacity and management strategy.
- ▶ Knowledge can play a crucial role in the establishment of an optimal communication and information system as well as an enhanced customer services management strategy, improved financial resource mobilization and management and performance monitoring and evaluation.

- ▶ Explicit and tacit knowledge can be used enhancing planning, coordinating evaluating NEPAD programmes and projects at various levels.
- ▶ Likewise, knowledge can be used to strength the operational efficiency and effectiveness of other NEPAD structures, partnerships and to promote the principles of NEPAD.

Knowledge-driven effectiveness requires...

▶ **Creating an integrated knowledge management system**

- to gather development information and experience and share it among countries, Regional Economic Communities (RECs) and technical agencies and partners. The NEPAD structures and relationships shown below calls for an integrated knowledge management system to improve their effectiveness

▶ **Creating, aggregating and sharing existing knowledge**

- Promote the use of Africa's collective knowledge as a key development resource and establish knowledge management platforms that will create access to existing networks and facilitate the sharing and utilization of knowledge across all sectors.
- Promote the culture of knowledge sharing and application across the region.
 - Through the aggregation of knowledge, effective management of knowledge and linking that knowledge to policy processes and actions and developing capacity across the region.
 - NEPAD has given due emphasis to the development of ICTs which can be used as a tool to leverage knowledge-sharing in the region.

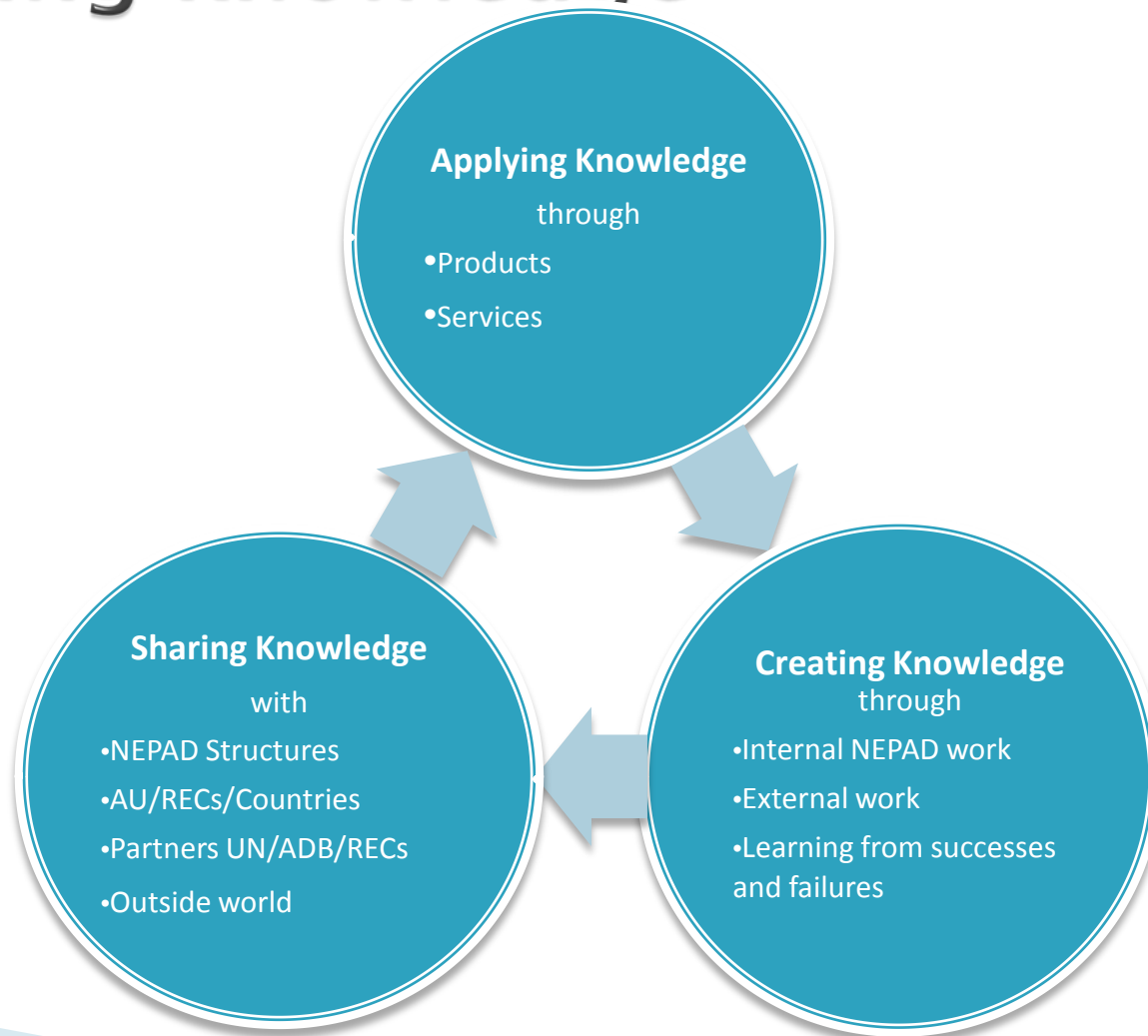
▶ **Building Policy Networks**

- Establish a knowledge network to strengthen policymaking in areas critical for achieving the objectives of NEPAD. This can be done by networking knowledge centres among themselves and with policy makers. The network could also extend to the Diaspora and knowledge centres in the developed and emerging development partner countries.

NEPAD knowledge management system

- ▶ The main goal of the knowledge management system is to enhance the implementation of knowledge management, enabling the creation, collection, synthesis and utilization of knowledge as a key development resource in Africa.
 - establish knowledge management platforms that will create access to existing networks and facilitate the sharing and utilization of knowledge across all sectors.
- ▶ Enhance the identification, acquisition and utilization of knowledge needed to perform effectively and to better address the problems across the region.
- ▶ Identify knowledge sources available in the region and create a framework that will make it easily available to development actors including the RECs and African countries.
- ▶ Use global development experiences and create and share knowledge of greatest relevance to the region.
- ▶ Emphasize the facilitation of cross regional sharing of innovative approaches
 - to various sectors such as food security, health, education, natural resources management, etc. by leveraging successful experiences across Africa.
- ▶ Initiate new ways of promoting quick and interactive access to replicable knowledge.
- ▶ Expand partnership to capture and share knowledge that is not limited geographically as well as to capture and share local knowledge and good practices.
- ▶ Strengthen Africa's capacity to harness and apply as well as protect indigenous knowledge and technologies in view to solve specific problems and improve African economies.

Creating, aggregating and sharing existing knowledge



Building Knowledge Networks

▶ The NEPAD Policy Network

- Strengthening policymaking to accelerate the implementation of NEPAD through Knowledge Networking and Sharing
- The goal is to enhance the role of knowledge centres in the strengthening of policy-making and policy targeting at the national level to enable African countries and RECs to accelerate the implementation of NEPAD.
- ▶ Networking knowledge centres among themselves and with policy makers and extend to the Diaspora and knowledge centres and others in the developed and emerging development partner countries.
- ▶ The NEPAD Policy Network would enable the NEPAD Secretariat or its successor to more effectively manage knowledge for development in Africa but this will require the following:
 - Upgrading NEPAD's Web Portal (which is underway)
 - Promoting knowledge sharing for efficient policy making and sustainable development in Africa
 - Deepening collaborations with African Universities and Research Institutes and Networks
 - Strengthen linkages with Diaspora intellectual capital and knowledge networks
 - Increasing knowledge sharing with other multilateral and international institutions and organizations

Harnessing Knowledge to Accelerate the Implementation of NEPAD priorities

- ▶ NEPAD is based on a three-pronged strategy:
 - Establishing the **conditions for sustainable development** (including peace and security and improved governance) in order to sustain and strengthen effective states as well as regional cooperation to increase international competitiveness.
 - Investing in **priority sectors** that could reverse the marginalization of Africa and lay the foundation for long-term development:
 - Political, economic and corporate governance; agriculture; infrastructure; education; health; science & technology; market access and tourism and environment.
 - Mobilization of **resources from within and outside Africa** for effective implementation of policies, programmes and projects.

Opportunities

- ▶ The success or failure of nations has hinged upon their ability to adequately use knowledge in addressing the three problems of an economic system—priorities, efficiency and distribution
 - So, establishing the **conditions** for development or **investing in priority sectors** or **mobilizing resources**—which constitutes NEPAD's three-pronged strategy require the application of knowledge
 - Implementation of the priorities of NEPAD hinges on knowledge
- ▶ The agricultural sector under CAADP is a good example of how knowledge can accelerate implementation of a NEPAD priority
 - Obstacles to agricultural development in Africa require knowledge:
 - agro-ecological problems; low investment in rural infrastructure, including transport; international trade regime; problems of crop and livestock pests, weeds, and diseases; and inequitable land distribution and insecurity of tenure, which discourage investment.
 - Measures that can increase output are knowledge-intensive:
 - developing and diffusing high-yielding varieties, better production techniques and practices, diversification, irrigation, post-harvest infrastructure, research, innovation, extension and market development. These are areas where proper knowledge management and knowledge sharing can play a key role¹⁵

Threats

- ▶ However, often, the challenge is bridging the gap between the production of knowledge and its application in African development and to the implementation of NEPAD and achieving the MDGs.
- ▶
 - Many African think tanks and reputable knowledge centres generate useful knowledge which are either inaccessible to the policy makers or is unsystematic, unreliable and in some cases so technical that generalist Policymakers cannot use it or even understand it.
 - Policy makers do not systematically use available knowledge to improve policymaking
- ▶ We need to generate value from Africa's intellectual capital and knowledge-based systems and systematically identify, capture, and transfer information and knowledge that can be used to create, implement and improve processes and outcomes.
- ▶ This knowledge can be captured in form of research-based recurrent and non-recurrent publications, etc.; reports—annual report on the implementation of NEPAD and Sector Analysis (e.g. infrastructure, agriculture, etc.) and evaluation—external review of NEPAD, structure evaluations, sector evaluations, etc

Addressing The Missing link: Indigenous Knowledge

- ▶ Research shows the positive role of indigenous knowledge in the formulation and implementation of sustainable development policies and projects in developing countries
 - in such sectors as food security, health, education, disaster management, natural resource management, farming, crop production, livestock keeping to mention a few.
- ▶ The problem however is that indigenous knowledge is not properly documented and communicated to better inform policy makers and program implementers in African countries.
- ▶ NEPAD can play a key role in addressing this problem thereby adhering to two of its principles:
 - “African ownership and leadership, as well as broad and deep participation by all sectors of the society” and
 - “Anchoring the development of Africa on its resources and resourcefulness of its people.”

Harnessing the African Diaspora Knowledge Potential

- ▶ Brain (or knowledge) drain is a major problem for Africa
- ▶ Yet the impact of emigration of professionals need not be uniquely negative.
 - The experience of other developing areas (China, India, Mexico, etc.) shows that it is possible to transform the brain drain into a gain or at least minimize its costs through brain circulation .
- ▶ It is, therefore, important to address Africa's brain drain problem by determining ways in which the African Diaspora can play a role in Africa's development, informed by the successes in other parts of the world.
 - There is need to develop strategies to use Diaspora knowledge to improve performance in traditional sectors, exploit opportunities for leapfrogging , and develop competitive new sectors.
 - There is also need to learn from other countries and adopt good practices through the Diaspora.
- ▶ Appropriate incentive regime and institutional framework should be provided for the efficient use of Diaspora knowledge and human and financial capital
 - Effective knowledge networks and centres of excellence are also important

The role of the key NEPAD actors

- » NEPAD organs
- Governments
- Knowledge centres
- Partners

WHO should do what, when?

- ▶ All structures of NEPAD as well as key stakeholders and partners have a role to play in making it possible to harness knowledge to implement NEPAD priorities.
 - These include the NEPAD structures, especially the NEPAD Secretariat (or NEPAD Authority or NEPAD Agency); Regional Economic Communities (RECs); African governments; partner institutions (UN, World Bank, AfDB, OECD, etc.); external or development partners; African private sector; African civil society; knowledge institutions, libraries and archives and centres of excellence; ordinary citizens and the African Diaspora.
- ▶ Although they all have important roles to play, we focus our attention to the key structures and partners:
 - The steering organs, in particular, the NEPAD Secretariat; the implementing organs, the RECs and African governments; the internal and external development partners and libraries and archives.

African Governments

- ▶ The most important role that the African governments can play is in building effective states, strengthening governance and institutions; in other words, creating the environment that can foster the emergence of knowledge economies.
- ▶ With the support of regional institutions and partners African governments need to address the challenges related to the allocation of resources to the development of knowledge and the establishment of the pillars of the knowledge economy:
- ▶ **Conducive economic and institutional regime**
 - to provide incentives for the efficient use of existing and new knowledge and growth of entrepreneurship.
- ▶ **Educated and skilled population and learning-by-doing**
 - to create, share and use knowledge well in new and conventional economic activity.
- ▶ **Adequate information infrastructure**
 - to facilitate the effective communication, dissemination, and processing of information as well as for assembling, managing and sharing of knowledge and for applying knowledge in production processes, policymaking and the development process.
- ▶ **Effective innovation system**
 - made up of firms, research centres, universities and other organizations and support for basic scientific research to tap into the growing stock of global knowledge, assimilate and adapt it to local needs and create new technology.
- ▶ **Private incentives for R&D and innovation.**
- ▶ **Alternative opportunities for talented individuals.**

African governments

- ▶ Should also...
 - Address the low investment in knowledge:
 - Investing in human capital to increase the ability to absorb and use knowledge
 - Investing in technologies to facilitate both the acquisition and the absorption of knowledge
- ▶ Address the coordination problem: through PPPs
- ▶ Take targeted action towards disadvantaged groups
- ▶ Create knowledge locally and acquire and adapt global knowledge
- ▶ Recognizing...
 - The centrality of knowledge in development
 - The need to build integrated policies
 - The need to mobilize leadership
 - Aligning innovation with domestic strengths and national needs
 - Monitoring and evaluation
- ▶ Implement NEPAD!
- ▶ Good practices
 - Tunisia and Rwanda

Why education may not be enough

- ▶ Education is important for knowledge but it depends what educated people are doing with their skills. “Schooling pays off only when government actions create incentives for growth rather than distribution” Easterly, 2005:82). So the quality of education matters.
- ▶ “High skills are productive if they go together with high-tech machinery, adaptation of advanced technology, and other investments that happen in an economy with incentives to grow.
- ▶ Without incentive to grow, there is no high-tech machinery or advanced technology to complement the skills. You have created a supply of skills where there is no demand for skills.
- ▶ And so the skills go to waste—with, say, highly educated taxi drivers or the skilled people emigrate to rich countries where they can match with high-tech machines and advanced technology” (Easterly, 2002:84).

The NEPAD Secretariat

- ▶ Although the 2001 NEPAD framework document does not explicitly recognize the role of knowledge, the NEPAD Secretariat recognizes that it is in a unique position to foster the implementation of the NEPAD vision through harnessing world-renowned expertise from individuals and relevant institutions.
- ▶ The mission statement of the 2004–2007 strategic plan states that the Secretariat's mission is
 - *“to provide a platform for harnessing relevant knowledge for informed policy formulation and decision making, and provide coordination services to the countries for the African Union for the development and implementation of NEPAD programmes through provision of expertise and institutional support”*. To this end a Policy, Research and Knowledge Management Unit was established with the support of UNDP but was not truly functional.
- ▶ Likewise the 2008–2010 strategic vision prioritizes research and knowledge management in order fulfill its Think–Tank function.

The NEPAD Secretariat cont.

- ▶ The major role of the NEPAD Secretariat would be to assist African countries to escape the low knowledge trap, build knowledge economies so that knowledge can be harnessed to accelerate the implementation of the priorities of NEPAD.
- ▶ NEPAD Secretariat needs to mobilize existing networks and centres of expertise at different levels to gather the needed knowledge and expertise and provide pre-eminent analytical and advisory services to the implementing bodies (countries and RECs) in the implementation and monitoring and evaluation of its programmes and projects.
- ▶ Establish the NEPAD Knowledge Management system
- ▶ Establish the NEPAD Policy Network
- ▶ Organize a series of Knowledge Management capacity development workshops and training for African research institutes and networks

Regional Economic Communities

- ▶ African regional economic communities (RECs) have a significant role to play, as they are the main institutions expected to implement NEPAD's programmes.
- ▶ RECs need to have effective communication strategies and efficient knowledge management to:
 - coordinate NEPAD projects
 - harmonize NEPAD projects with regional development strategies
 - support African countries to implement NEPAD projects
 - engage the private and civil society sectors to participate in NEPAD projects

NEPAD Partners

- ▶ Within their specific mandates should:
 - Provide support for individual African governments in the development of a knowledge economy;
 - Coordinate strategic analysis where action is appropriate at continental or regional level;
 - Facilitate coordinated bargaining with international partners on issues related to intellectual property and technology transfer;
 - Establish dialogue which provides for a coordinated review of relations with the emerging economies and where relevant, involve other relevant multilateral organisations in this dialogue;
 - Help build capabilities in African countries to be able to tap into gains from innovation and global knowledge stock;
 - ECA should provide assistance with the compilation of relevant statistics and through its flagship publication *The Economic Report on Africa*, monitor the trajectory of knowledge and knowledge sharing between Africa and the merging country partners.
 - The AfDB needs to leverage rich and emerging economy support for the financing and co-financing of regional IT infrastructure;
 - The World Banks should scale up its knowledge for development programme to African countries where the acute need exists.

Libraries and Archives

- ▶ The successful implementation of NEPAD programmes and projects needs the strong support of African libraries and archives, research institutions and centres of excellence.
- ▶ According to Nkiko and Yusuf (2008), libraries and information centres can do the following:
 - **Popularize NEPAD** by bridging the awareness gap between the peoples of Africa and NEPAD.
 - **Enhance the capacity of African libraries** by galvanizing both horizontal and vertical relationships to ensure their competitiveness and survival.
 - **Develop an integrated information system for Africa** which will permit sharing of knowledge across partnering countries and promote the establishment of a NEPAD library with branches in all African countries to promote cross-border cooperation and connectivity by using knowledge available in centres of excellence in the continent.
 - **Promote human development** through libraries enhancing enriched teaching and study and guarantee continuous learning and self development through this repository of knowledge.
 - **Serve as information brokerage** for certain specialized information extracted from the domestic or global environment which is usually deposited and locked up in the libraries. Similarly well-researched facts about the continent hidden in the libraries as unpublished dissertations should be made available to NEPAD in form of abstracts and annotated bibliographies.
 - **Provide research support** to African researchers and policy-makers in member states who will rely heavily on value-added information provided by libraries for meaningful investigation of socioeconomic and political phenomena as they affect the continent. Research output regarding NEPAD-related issues should be disseminated to the larger society through libraries and information centres.
 - **Showcase indigenous knowledge** by popularizing, internationalizing and integrating into the global technologies the rich heritage of Africa as expressed in arts, agriculture, medicine, music, crafts through the activities of library and information centres.

Libraries and Archives

- ▶ Libraries and archives are important but if they are not used they are like a bridge to nowhere. That is, merely having a well-stocked library does not mean that the knowledge it contains will automatically lead to economic transformation and improve human welfare. At the same time, increasing the repositories of knowledge would also require reflecting on ways of getting people to use them. This leads to the issue of demand for and supply of knowledge.
- ▶ How do you address the issue of “metropolization” of libraries and archives and lack of access by people in rural areas and remote communities?
- ▶ How do you address the issue of absence of a reading culture? Or the problem of illiteracy, that is, the books are there but people can't or won't read them?

WHEN should these things happen?

- ▶ We recognize the ongoing efforts to transform the NEPAD Secretariat into a knowledge institution and to reinforce its think-tank role
- ▶ However, given the amount of time that has passed since the launch of NEPAD, there is need for urgency and quick action.
- ▶ This process of integrating knowledge into NEPAD should happen immediately!
- ▶ Take advantage of the integration of NEPAD into the AU structures and processes to redefine the role of the new NEPAD Secretariat or its successor.

In Conclusion

- ▶ To avoid being left behind African countries and NEPAD structures need to accelerate the implementation of NEPAD
 - further improve their macroeconomic and institutional regimes, improve the quality and level of education and training, become more effective at tapping and making effective use of global knowledge, develop their own knowledge, and improve their information and communication technologies, as well as transport infrastructure and logistics.
- ▶ Addressing these challenges requires greater awareness of what is at stake, vision, developing and implementing longer term strategies, and effective monitoring and coordination mechanisms.
- ▶ This requires...
 - Visionary, committed and effective leadership
 - Understanding and acknowledging the important role that knowledge plays in development in general and in accelerating the implementation NEPAD.
 - Investing in knowledge, that is, allocating enough resources to the development, accumulation and dissemination of knowledge
 - Creating the incentives to invest in knowledge by making the rate of return on investment in knowledge high enough. This includes private incentive for R&D.

- ▶ I wish to thank the ECA Library for assembling and sharing the explicit knowledge that made this presentation possible

THANK YOU!