

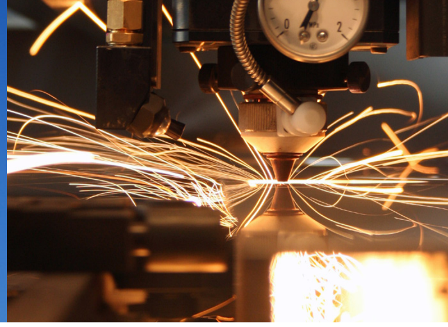
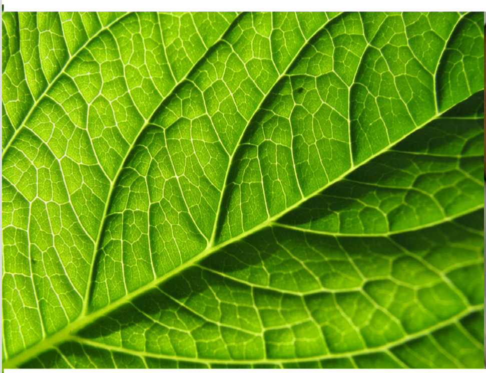


RIO+20
United Nations Conference
on Sustainable Development

Progress towards sustainable development in Southern Africa

Economic Commission
for Africa

RIO+20
United Nations Conference
on Sustainable Development

Progress towards sustainable development in Southern Africa

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Publications:
Economic Commission for Africa
P.O. Box 3001
Addis Ababa, Ethiopia

Tel: +251 11 544-9900
Fax: +251 11 551-4416
E-mail: ecainfo@uneca.org
Web: www.uneca.org

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Table of contents

Abbreviations and Acronyms

A21	Agenda 21
ACTESA	Alliance for Commodity Trade in Eastern and Southern Africa
AfDB	African Development Bank
AIDS	acquired immunodeficiency syndrome
AMCEN 13	African Ministerial Conference on the Environment
APRM	Africa Peer Review Mechanism
ATIA	African Trade Insurance Agency
AU	African Union
AUC	African Union Commission
CAADP	Comprehensive Africa Agriculture Development Programme
CAMPFIRE	Communal Areas Management Programme for Indigenous Resources
CBNRM	Community-Based Natural Resource Management
CER	Certified Emission Reduction
COMESA	Common Market for Eastern and Southern Africa
CDM	Clean Development Mechanism
CSD	Commission on Sustainable Development
CSO	civil-society organisation
ECA	United Nations Economic Commission for Africa
ECCAS	Economic Community of Central African States
EEB	Economics of Ecosystems and Biodiversity
EIAs	Environmental Impact Assessment
EPZ	Export Processing Zone
FANR	Food, Agriculture and Natural Resources
FDI	Foreign Direct Investment
FEMCOM	Federation of Associations of Women in Business in Eastern and Southern Africa
GDP	Gross Domestic Product
GEF	Global Environmental Facility
GNU	Government of National Unity
GHG	Greenhouse Gases
GPA	Global Political Agreement
HDI	Human Development Index
HIPC	Highly Indebted Poor Countries
HIV	Human Immunodeficiency Virus
ICT	Information and Communication Technologies
IFSD	Institutional Framework for Sustainable Development
IMF	International Monetary Fund

JPOI	Johannesburg Plan of Implementation
LPI	Living Planet Index
LLPI	Leather and Leather Products Institute
MDG	Millennium Development Goal
MTSF	Medium-Term Strategic Framework
NCSD	National Committee on Sustainable Development
NDP	National Development Plan
NEPAD	New Partnership for Africa's Development
NES	National Environment Secretariat
NGO	Non-governmental Organization
NPCA	NEPAD Planning and Coordinating Agency
NSSD	Nnational Strategy for Sustainable Development
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OSISA	Open Society Initiative of Southern Africa
PES	Payments for Ecosystem Services
PFI	Policy Framework for Investment
PFIA21	Programme for the Further Implementation of Agenda 21
PPC	Production Possibilities Curve
PPP	Public-private Partnership
PRSP	Poverty Reduction Strategy Paper
RCM	Regional Coordination Mechanism
REC	Regional Economic Community
REDD-Plus	Reduce Emission from Deforestation and Forest Degradation
REPSS	Regional Payment and Settlement System
RISDP	Regional Indicative Strategic Development Plan
SACU	Southern African Customs Union
SADC	Southern African Development Community
STAP	Short-Term Action Plan
STERP	Short-Term Emergency Recovery Programme
TFCA	Trans-frontier Conservation Area
UN	United Nations
UNCSD	United Nations Conference on Sustainable Development
UNCED	United Nations Conference on Environment and Development
WSSD	World Summit on Sustainable Development

Executive Summary

This report was prepared as part of the regional preparations for the Rio+20 Summit to be held in Brazil in 2012. It is based on findings and analysis of literature review, consultations with stakeholders in the subregion, as well as focal points in selected countries, namely Botswana, Malawi, Mauritius, Mozambique, South Africa and Zambia.

The report is structured as follows:

- priority sustainable development issues in the subregion;
- progress made, achievements, including best practices, constraints and challenges, lessons learned and provide well-articulated recommendations on the way forward to enhance implementation progress;
- the inter-linkages between the economic, social and environmental pillars of sustainable development;
- the institutional and strategic frameworks for sustainable development and recommended ways of enhancing them with a view to making them responsive to the requirements of sustainable development;
- a transition to a Green Economy in the context of sustainable development and poverty eradication in the subregion;
- new and emerging challenges for the subregion, and recommendations on the way forward.

Priority sustainable development issues and trends: Subregional sustainable development priorities for southern Africa are expressed in the context of two main sets of frameworks:

- Those of subregional organizations, including the Southern Africa Development Community (SADC) and the Common Market for East and Southern Africa (COMESA), to which most of the subregional countries belong, and to a lesser extent the Southern Africa Customs Union (SACU), to which some countries belong, and the Economic Community of Central African States (ECCAS), of which Angola is a member;
- National development plans.

In the context of the Rio Process, the southern Africa subregional priorities are considered in the context of the African priorities. Ten years have passed since the Johannesburg Plan of Implementation (JPOI) from the World Summit of Sustainable Development (WSSD) and all the challenges are still as relevant today as they were then. The greatest challenges and priorities are poverty reduction, HIV/AIDS, creating opportunities and fighting marginalisation in a globalised world. In addition, creating conducive environment to attract investments is critical for economic growth. Other priorities relate to the need to create market access and address supply-side constraints to trade; addressing the persistent debt burden in some countries; cushioning the development agenda from the declining levels of official development assistance (ODA); and exploring domestic resource mobilisation, industrial diversification and value addition to the subregion's resources. All countries have national development plans, whose priorities vary in terms of focus and emphasis. However, the above priorities are common across the subregion.

Challenges such as HIV/AIDS, poverty and inequality persist although efforts are being made at country and subregional level to attain development targets. The situation is exacerbated by new and emerging challenges, which constrain efforts towards sustainable development. Policies, expressed in various documents, show that the concept of sustainable development has been fully embraced, but the implementation of these policies for the full benefit of all the people remains a challenge for a number of reasons, including financial constraints, institutional misalignment and inadequate capacity.

Concrete actions taken, highlighting best practices, progress made and achievements: Most countries are making modest progress in the implementation of aspects of sustainable development, particularly the Millennium Development Goals (MDGs), although it has already been concluded that none of the subregional countries will meet all the MDG targets by 2015. Some progress is being attained in the establishment of free trade areas/zones, implementation of trans-frontier conservation and tourism as well as infrastructure programmes. Some projects are also being implemented under continental frameworks such as the New Partnership for Africa's Development (NEPAD). National successes have been recorded in the implementation of programmes aimed at attaining the MDGs, for example in Malawi, Mauritius and Zambia. Progress is also being made in the area of governance, as demonstrated by the number of countries who have acceded to the African Peer Review Mechanism (APRM), and Mauritius being judged the best governed country in Africa. Overall however, there is increasing environmental degradation, as exemplified by South Africa's assessment of its ecosystems in. The impacts of climate change are also being felt in the subregion, as well as the effects of the financial, fuel and food crises. Overall, the gap between policy intentions and implementation remains significantly wide.

Implementation challenges and constraints: The subregion and its Member States face a number of implementation challenges. The most prominent of these include: lack of funding for development projects; the multiplicity of policy frameworks, which are meant to guide development but have actually become a source of implementation confusion and paralysis; and institutional weaknesses due to lack of capacity and skills to plan and implement programmes effectively, as well as overlap and duplication of mandates in some instances. One of the most important challenges and constraints to implementation pertains to perceived - and sometimes real - lack of political will, leadership and decisiveness to implement relevant commitments. In addition, the role of the private sector as partner with governments has not been fully explored and/or utilized for the realization of some of the development targets. Fundamentally, there is a challenge of lack of long-term visioning and planning, which results in the implementation of short-term and unsustainable projects. This also includes a focus on "hard-core" implementation challenges, instead of balancing these with "soft" self-analysis, determination and visioning for the long term.

Inter-linkages between the economic, social and environmental pillars of sustainable development: The linkages between the economic, social and environmental pillars of sustainable development are well understood within the subregion. Policies that support the concept have been developed and institutions have been set up. However, the implementation of sustainable development programmes is absent, as exemplified by the lack in practice of an integrated approach to development. Some of the new and emerging challenges mentioned above have resulted in the over-exploitation of the environment in a bid to address the poverty eradication ideals. Some examples of a balanced (environment, economic and social) approach to sustainable development include the Communal Areas Management Programme for Indigenous Resources (CAMPFIRE) programme in Zimbabwe.

Institutional framework for sustainable development in the subregion: Institutional frameworks in most countries of the southern Africa subregion are weak, and therefore unable to deliver on the sustainable development agenda. It is a cause for concern that, in many countries, environmental issues are governed by various ministries and/or departments. For example, in some countries there are ministries of water, energy, environment, agriculture, trade and industry and others, which all, in one way or the other, handle aspects of sustainable development. Yet the mechanisms are sometimes weak which ensure that the ministries of trade, which issue mining licences, work with the ministries of environment, which deal with environmental impact assessments (EIAs). Such institutional set-ups also promote duplication and institutional rivalry, and hinder implementation. At the subregional level, the linkages between national and subregional institutions dealing with environment and sustainable development are weak, and so is coordination. Weak coordination also applies to the subregional and regional institutions for sustainable development.

Transition towards a green economy within the context of poverty reduction and sustainable development in the subregion: The concept of the "green economy" is still not well understood within the subregion because the concept is still new. In addition, the few stakeholders that understand the concept perceive the concept as externally driven, and not much different from previous failed development paradigms, such as the structural adjustment programmes of the World Bank. Therefore there is a need to set up regional processes to explore the concept of a transition to a green economy further, with a view to making it applicable to the needs and priorities of the subregion, in a way that encompasses pro-poor economic growth. In addition, the subregion is weary of having to embrace externally conceptualised and driven projects. In this regard, there is a call to ensure that the subregion is fully involved in unpacking the meaning and applicability of the green economy to the subregion, including its long-term implications and impacts, in the context of the overall nexus between climate change and development.

New and emerging challenges: When the WSSD was held in 2002, new and emerging challenges at the time were HIV/AIDS, the advent of information and communication technologies and the impacts of globalisation, particularly on developing countries. While these challenges still persist in one way or another, new and emerging challenges pose new threats to the attainment of sustainable development goals. These challenges include the global financial, food, fuel and fertilizer crises. The impacts of climate change are already being felt in the subregion and contributing to food shortages. These challenges can also be seen as potential opportunities, such as innovations and applications of information and communications technologies (ICTs) for development. However, the lack of capacity for the subregion to respond in an innovative, creative and sustainable way to these challenges means that their impacts will be felt for a very long time.

Conclusions, recommendations and the way forward: Efforts are being made at the regional and country levels to eradicate poverty and attain the MDGs and other global and continental commitments made by Heads of State and Government. The subregion and the region have good examples that demonstrate commitment to sustainable development. However, the impact of these efforts is not enough to have net poverty reduction. This is due to a number of factors, such as the multiplicity of development programmes, institutional weaknesses and lack of capacity.

Constraints to implementation include financial, technological and human resources. Predictable and long-term implementation is difficult because the subregion and individual countries are over-reliant on donor funds.

Going forward, the following recommendations need to be considered:

- Undertake a systemic review of the region's overall long-term approach to sustainable development, based on experiences to date;
- Develop and implement domestic resource-mobilization programmes for self-sustained funding for development;
- Diversify the country and subregional economies;
- Establish a multi-stakeholder mechanism for monitoring and mobilizing stakeholders and resources for sustainable development in the subregion;
- Ensure multi-stakeholder participation beyond policy-making at the national and subregional level;
- Create space and time for the further exploration of the applicability and impacts of the transition to a green economy in the context of ongoing debates on climate change;
- Build mechanisms for institutional coherence within and between national, subregional and continental institutions for sustainable development;
- Ensure that, in future, national consultations commence before subregional and regional consultations in order to get a true picture from the ground;
- Develop institutional capacities for sustainable development at all levels;
- Ensure political commitment and leadership to sustainable development at all levels;
- Ensure institutional coherence of United Nations (UN) institutions working in the subregion.

1. Background and Introduction

"Rio+20 is not just about environment. It is also about social development. Rio+20 is a summit about people's lives and livelihoods and it is a summit about action to create more jobs, better jobs and more green jobs."[1]

This section of the report provides some background relevant to southern Africa, in order to put the analysis that follows in the various sections of the report into context. It provides the rationale and purpose of the report, its methodology and structure, and insight into the main issues covered, including the methodology, conclusions and recommendations for the way forward.

The United Nations Conference on Environment and Development (UNCED), also known as "Rio Earth Summit" and held in 1992 in Rio de Janeiro, Brazil, was an important event as it demonstrated the commitment of the international community to address environment and development issues. The most important outcome of the Rio Earth Summit was the adoption of Agenda 21.

In 1997, a five-year review of Agenda 21 showed that its implementation was not moving as fast as had been anticipated, for a variety of reasons, most notable of which was lack of political commitment. In view of this, the World Summit on Sustainable Development (WSSD) was convened in Johannesburg, South Africa in 2002, with the main purpose of conducting a further (ten-year) review of the implementation of the outcomes of UNCED, particularly Agenda 21, and to reinvigorate global commitment to sustainable development.

The main outcome of the WSSD was a political declaration, the Johannesburg Plan of Implementation (JPOI), which reaffirms global commitment to sustainable development. The JPOI also contains targets and timetables to guide implementation of the many priority issues identified, including the Millennium Development Goals (MDGs). Another important outcome of the WSSD were the "Type II" initiatives, most notable of which were the partnership commitments on water and sanitation; energy; health and environment; agriculture; and biodiversity and ecosystem management (WEHAB) initiative. These numbered over 200 at the time of the summit and included major initiatives by development partners. In order to focus efforts better to address the development needs of Africa, the international community, identified the New Partnership for Africa's Development (NEPAD) for special attention and support. There has been varied progress in implementing the WSSD outcomes across the globe, including in Africa and its subregions.

On 11 December 2009, the Second Committee of the UN General Assembly adopted a resolution to organize the UN Conference on Sustainable Development (UNCSD) at the highest possible level, including Heads of State and Government (HoSG), in Brazil in 2012. The objective of this conference is to secure renewed political commitment for sustainable development, to assess progress to date and remaining gaps in implementation of the outcomes of the major summits on sustainable development, and to address new and emerging challenges.

The focus of the Conference will include the following themes to be discussed and refined during the preparatory process:

1 UNCSD Under Secretary-General Mr Sha Zukang

(1) A green economy in the context of sustainable development and poverty eradication;

(2) The institutional framework for sustainable development.

It is expected that the Conference will result in a focused political document.

1.1 The need for a well-coordinated regional preparatory process for Rio +20

In order to ensure high-quality inputs to the Rio+20 conference, the Second Committee of the General Assembly called for efficient and effective preparations at the local, national, regional and international levels by Governments and the United Nations system and encouraged the active participation of all major groups at all stages of the preparatory process. Further, it decided that the conference and its preparatory process should take into account the decision taken at the eleventh session of the Commission to carry out an overall appraisal of the implementation of Agenda 21 (A21), the Programme for the Further Implementation of Agenda 21 (PFIA21) and the JPOI at the conclusion of the multi-year programme of work. It also decided that a preparatory committee will be established, within the framework of the Commission on Sustainable Development (CSD), to carry out preparations for the conference.

The decision of the Second Committee to convert the regional implementation meetings (RIMs) for the upcoming CSD Session into regional preparatory meetings for the conference in 2011 reflects the importance attached to regional-level review processes in bridging the gap between global and national-level review processes. An effective regional preparatory process is therefore essential to guide and prepare African countries effectively to articulate their concerns and priorities collectively at the conference and ensure that these are adequately reflected in the conference outcomes. It will also serve to strengthen the regional consultative mechanism to support national-level implementation, following the conference.

The 13th Session of the African Ministerial Conference on the Environment (AMCEN 13), held in Bamako, Mali, in June 2010, underscored how important it was for Africa to prepare effectively for Rio+20. In this regard, AMCEN 13 adopted the Bamako Declaration on the Environment for Sustainable Development which, *inter alia*, calls upon the UN Economic Commission for Africa (ECA), the UN Environment Programme (UNEP), other UN agencies, the African Union Commission (AUC), the African Development Bank (AfDB), regional economic communities (RECs), African civil-society organizations (CSOs), other stakeholders and partners to collaborate effectively in the African preparatory process for Rio+20, with a view to ensuring that Africa's concerns and priorities are effectively tackled in the Conference outcomes, including by means of the provision of adequate and appropriate support for the implementation of Africa's sustainable development agenda.

Furthermore, the 11th Session of the Regional Coordination Mechanism of UN Agencies and Organizations working in Africa (RCM-Africa) in support of the African Union (AU) and its NEPAD Programme deliberated on regional preparations for Rio+20. It adopted recommendations emphasizing the need for continental institutions, including AUC, RECs and AfDB, to be engaged effectively in the preparations. It also recommended that preparations and inputs to Rio+20 should be based on bottom-up approaches, so as to enable the conference to reflect on and address the real operational challenges and opportunities for sustainable development. It is intended to undertake five subregional consultations, including preparing subregional reports as an integral part, to feed into the Africa-wide consultations for Rio+20.

1.2 Objectives of the report

Against this backdrop, the review report for the Southern Africa subregion was prepared within the framework of the Africa Regional Preparatory Process for Rio+ 20. The objectives of the report are:

(1) To provide well-articulated documentation of progress in the implementation of A21, PFIA21 and JPOI commitments, clear understanding of the constraints and challenges, and well-informed recommendations to enhance implementation progress;

(2) To increase understanding and appreciation of the new and emerging challenges to advancing Southern Africa's sustainable development agenda and well-informed action oriented recommendations to effectively addressing the challenges;

(3) To enhance understanding and appreciation of the institutional and strategic frameworks necessary to operationalize sustainable development in Southern Africa effectively;

(4) To provide a clear understanding and appreciation of the prospects and challenges for Southern Africa in transforming into a green economy, in order to contribute to the realization of its sustainable-development and poverty-eradication goals;

(5) To articulate Southern Africa's concerns and priorities clearly in regard to the implementation of sustainable development commitments;

(6) To provide well-informed, action-oriented recommendations and a way forward to advance Southern Africa's sustainable development agenda.

1.3 The Southern Africa subregion

The southern Africa subregion, for purposes of this review, is defined as the total geographical area occupied by Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Zambia and Zimbabwe. The southern Africa subregion has a combined population of over 228 million people and an aggregate gross domestic product (GDP) of USD226.1 billion (SADC, 2003). Its GDP is equivalent to more than half of the aggregate GDP of Sub-Saharan Africa (ISS, 2006). However despite its relatively high aggregate GDP, individual countries' social and economic growth and development vary considerably. Some countries are achieving high growth rates, while growth is low in others. For instance, the national economic development status of the subregion is a combination of advanced developing countries such as South Africa, developing countries such as Zimbabwe, and least-developed countries such as Malawi.

1.4 Methodology

The report is based in literature review, as well as consultations with selected counties within the region, namely: Botswana, Malawi, Mauritius, Mozambique, South Africa and Zambia.

During the consultations, a deliberate attempt was made to introduce "Soft Systems Thinking", which involves modelling and learning about and/or making sense of problematic situations, particularly where many stakeholders have divergent interests.

While the literature review covered the Southern Africa regional in general, individual country consultations sought to obtain in-depth information on the areas that are outlined in the report structure below. The information on the individual country development contexts was derived mainly from each of the countries' MDG reports, which all have a section which provides a backdrop in the MDG reports.

The consultations at national level included civil-society organisations (CSOs) involved in sustainable development and environmental issues, private-sector organisations, relevant government departments, such as ministries of national planning and development, ministries of energy and ministries of finance. Consultations were also held with regional and/or continental NGOs, such as the Open Society Initiative of Southern Africa (OSISA).

In order to create a regionally and nationally accurate and representative platform for analysis, the report also provides a brief regional development context, as well as that of Member States (Annex 1). It is important to note the adoption of the MDGs in 2000 included the expectation that all UN Member States would work towards their attainment. Athough they were at different levels of development and started from different baseline situations, they were still aiming at the same measure of success. For example, a country such as the United States is working towards the same targets as Mozambique, a country which became independent in 1975, and was at war for much of the period since independence. An overview of the context for each individual country therefore assists in placing that country's efforts towards the implementation of a sustainable development programme into historical and current perspectives.

A consultative meeting was held in Lusaka, Zambia on 6-7 October 2011. The objectives of the meeting were:

- To deliberate on and enrich the draft subregional review "*Report on Progress towards Sustainable Development in Southern Africa*" in order to finalize it;
- To identify and agree on key conclusions and policy messages which, *together with the subregional review report, will feed into t*he overall Africa review report. Inputs from the meeting have been integrated into this report.

One of the challenges in compiling this report was access to comparable information from Member States. Each has a different institutional set-up and capacity, to the extent that some were unable to provide the required documents for the review or to make themselves available for consultations. It was therefore impossible to get a true picture of the dynamics on the ground. The Internet was a valuable source of information and complemented the documents and information received from Member States.

The biggest challenge was the short timeframes for the literature review, consultations and drafting the report. This resulted in more limited consultations with relevant stakeholders than would have been the case if there had been more time.

1.5 Structure of the report

The report is structured as follows:

- Chapter 2: Priority sustainable development issues and trends
- Chapter 3: Concrete actions taken, highlighting best practices, progress made and achievements
- Chapter 4: Implementation challenges and constraints
- Chapter 5: Inter-linkages between the economic, social and environmental pillars of sustainable development
- Chapter 6: Institutional framework for sustainable development in the subregion
- Chapter 7: Transition towards a green economy within the context of poverty reduction and sustainable development in the subregion
- Chapter 8: New and emerging challenges
- Chapter 9: Conclusions and recommendations on the way forward
- References
- Annexes

2. Priority sustainable development issues and trends

"If economic progress is not translated into better quality of life and citizens' rights, we will witness more Tahrir Squares in Africa." (Mo Ibrahim, 2011).

2.1 Introduction

This section provides an outline and analysis of the regional priority sustainable development issues and trends, within the framework in which the subregion perceives sustainable development. This is where linkages with aspects of subregional integration will be analysed and linked to national programmes and priorities.

The understanding of sustainable development in the subregion is underpinned by an assumption of the universal acceptance of the definition of sustainable development: "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs"- Brundtland Commission Report (1987).

At the subregional level, as in the rest of the continent, there are various development frameworks with which countries comply and determine. These include those frameworks which arose from the Rio process (A21, WSSD JPOI, the MDGs.

At the continental level, there is equally a multiplicity of development frameworks, the most important of which include the Constitutive Act of the AU, the AUC's Strategic Plan, its NEPAD programme and the Strategic Plan of the NEPAD Planning and Coordinating Agency (NPCA). The strategic plans of the AU's strategic partners, such as the AfDB and the ECA are also relevant to what countries do at the national level, and to the RECs at the subregional level.

In assessing the priority sustainable development issues and trends in the southern Africa subregion, focus needs to be given to the intergovernmental organizations, to which most Member States belong, chiefly the Southern Africa Development Community (SADC) and the Common Market for East and Southern Africa (COMESA). Several SADC Member States also belong to COMESA and derive their priorities from SADC and COMESA and, at the same time, inform those priorities. The Southern African Customs Union (SACU) also plays a role in influencing the priorities of its Member States and the subregion but this is more limited, mainly due to its small membership, and Angola is also a member of the Economic Community of Central African States (ECCAS).

2.2 Subregional priority sustainable development issues and trends

2.2.1 SADC priorities

The SADC vision is set out as: *"... one of a common future, a future in a regional community that will ensure economic wellbeing, improvement of the standards of living and quality of life, freedom and social justice and peace and security for the peoples of Southern Africa. This shared vision is anchored on the common values and principles and the historical and cultural affinities that exist between the peoples of Southern Africa"* (RISDP, pg 21).

In terms of integration with related programmes at global and continental levels, the RISDP states that:

SADC fully took into consideration the Millennium Development Goals (MDGs) adopted by the United Nations General Assembly, the Constitutive Act of the African Union, the Treaty establishing the African Economic Community, the New Partnership for Africa's Development (NEPAD) as well as other initiatives on international development cooperation. In this way, we underline the fact that SADC is open to partnerships in her development efforts (RISDP, pg 6).

The purpose of the RISDP is to deepen regional integration in SADC. It provides SADC Member States with a consistent and comprehensive programme of long-term economic and social policies. It also provides the Secretariat and other SADC institutions with a clear view of SADC's approved economic and social policies and priorities.

The regional priorities as set out in the RISDP are:

- Poverty eradication (CSOs advocate for poverty "reduction", as eradication is hard to attain)
- Combating HIV and AIDS
- Gender equality and development
- Science and technology
- Statistics
- Trade, economic liberalisation and development
- Environment and sustainable development
- Infrastructure development
- Private-sector development
- Sustainable food security
- Human and social development
- Resource mobilisation
- Institutional framework (RISDP, pg 14-16)

2.2.2 COMESA priorities

The COMESA Strategic Plan provides the guiding framework for the subregion and its Member States.

The COMESA Vision is to "*...be a fully integrated, internationally competitive regional economic community with high standards of living for all its people ready to merge into an African Economic Community*".

> Its Mission is to"*..endeavour to achieve sustainable economic and social progress in all Member States through increased co-operation and integration in all fields of development particularly in trade, customs and monetary affairs, transport, communication and information, technology, industry and energy, gender, agriculture, environment and natural resources*".

The COMESA medium-term strategic plan focuses on addressing issues affecting ordinary people, such as poverty, public health, education, gender, children's welfare, equal opportunities and international solidarity. Six strategic and priority areas that have been identified as key drivers are:

- Removing barriers to trade;
- Building productive capacity for global competitiveness;
- Addressing supply-side constraints related to infrastructure;
- Peace and security;
- Cross-cutting issues (gender and social affairs, climate change, statistical development, knowledge-based society and human capital, cooperation and partnerships and aid for trade);
- Institutional development.

2.2.3 SACU priorities

SACU has 5 members (Botswana, Lesotho, Namibia, South Africa and Swaziland) and **has an influence on subregional priorities.**

The objectives[2] of SACU are:

(1) To facilitate the cross-border movement of goods between the territories of the Member States;

(2) To create effective, transparent and democratic institutions which will ensure equitable trade benefits to Member States;

(3) To promote conditions of fair competition in the Common Customs Area;

(4) To substantially increase investment opportunities in the Common Customs Area;

(5) To enhance the economic development, diversification, industrialization and competitiveness of Member States;

2 Southern African Customs Union (2010).

(6) To promote the integration of Member States into the global economy through enhanced trade and investment;

(7) To facilitate the equitable sharing of revenue arising from customs, excise and additional duties levied by Member States;

(8) To facilitate the development of common policies and strategies.

It is worth mentioning here that in addition to the above, there are many other external factors that influence the formation of "priorities" in the subregion and among Member States. These include the influence of development partners, which tend to shift their priorities frequently, as well as areas for which funding is available.

2.2.4 National priorities

In addition to the above-mentioned subregional, continental and global frameworks, all countries have developed national development plans, which highlight their individual national priorities (Table 1). It is important to highlight that all the programmes are short-term in nature, even though they speak to medium-term national visions. In many cases, these programmes and priorities are changed each time a new government comes into power. In most cases, the national programmes refer more to the attainment of the MDGs than to the subregional programmes, which they are supposed to own and implement.

The above-mentioned frameworks present a disaggregated picture of subregional priorities and trends. An analysis of these shows that the main priorities for the subregion remain poverty reduction; reducing inequalities; food security and agriculture; climate change and its impacts; water; energy; regional integration; human development; governance and democracy; economic growth and attracting investment for job creation. Other priorities relate to the need to create market access and address supply-side constraints to trade, addressing the persistent debt burden in some countries and having to cushion the development agenda from the declining levels of official development assistance (ODA), and also exploring domestic resource mobilisation, industrial diversification and value addition to the subregion's resources.

It is important to highlight the disaggregated picture of the subregional priorities because it is this picture which occupies Member States on a daily basis, and this is the basis upon which they build institutions, mobilise resources, build capacities and develop partnerships with the international community and this is also the basis on which their people hold them accountable for delivery on commitments. Reporting, monitoring and evaluation should start from these and progress towards the subregional level.

In addition, it is important to note that national priorities vary from country to country. Where the priorities converge it is more because of coincidence, than purpose. For example, South Africa's core challenges are: mass joblessness, poverty and inequality[3]. For Mauritius the priorities are: clustered growth, employment generation, housing, social development and infrastructure[4]. The critical issues for Zambia are: economic and social development, infrastructure, human development, growth sectors, support sectors, regional development and the institutional arrangement for monitoring and evaluation. Zambia's cross-cutting priorities are governance, HIV

3 Government of South Africa (2009).
4 Government of Mauritius (2005).

and AIDS, gender, disability, nutrition, environment and disaster risk management[5]. For Malawi, the following are key priorities: agriculture and food security; irrigation and water development; infrastructure development; energy generation and supply; integrated rural development; and HIV and AIDS prevention and management[6]. In Mozambique, the priorities are: (i) to increase output and productivity in the agriculture and fisheries sectors; (ii) to promote employment; and (iii) to foster human and social development, while maintaining a joint focus on (iv) governance and (v) macroeconomic affairs and fiscal management[7]. The specific national development plans are outlined in Table 6.1 in Chapter 6.

In order to promote implementation effectiveness, the best-case approach would be one whereby subregional frameworks are derived from Member States' priorities, instead of the regional frameworks just getting "mandates" which are poorly resourced and capacitated, simply because the member states are pre-occupied with their own programmes at national level. Special mechanisms could then be created for the implementation of cross-country projects that promote regional integration.

2.3 Trends in Sustainable Development

As of 2007, population growth in southern Africa was reducing, and was expected to remain just above zero in the coming decades, mostly due to the toll of HIV on the subregion.

On the environment pillar, there is growing evidence to suggest that the environment is being severely degraded. For example, in 2007, South Africa published a state of the environment report, the *South African Environmental Outlook*, which assesses the status and trends of ecosystems and biodiversity in South Africa. The assessment showed that overall, the quality of the ecosystems and biodiversity are deteriorating (Table 2.1).

5 Government of Zambia (2011).
6 Government of Malawi (2006).
7 Republic of Mozambique (2011).

Table 2.1: Status and trends of ecosystems and biodiversity in South Africa

Air quality	DETERIORATING: Atmospheric pollution is at critical levels. Health problems due to air quality are predicted to increase by 20 per cent over the next decade. Emissions from vehicle exhausts are expected to rise 44 per cent between 2002 and 2011.
Biodiversity	DETERIORATING: Almost 10 per cent of South Africa's birds and frogs, and 20 per cent of our mammals are threatened with extinction. Our marine systems are faring the worst, with some West Coast marine systems being critically endangered. It is accepted that South Africa will not reach the 2010 target of halting the biodiversity loss as agreed by the Parties to the Convention on Biological Diversity in 2002, including South Africa.
Climate change, energy efficiency and consumption	DETERIORATING: Despite predictions that climate change would diminish South Africa's already scant rainfall west of the escarpment (the majority of the country), reducing river flows and general water availability, the country continues to contribute inequitably and irresponsibly to the drivers of climate change by producing more greenhouse gases per capita than many industrial countries through its reliance on coal and high-energy industries. Energy consumption in South Africa has increased by 23 per cent since 1992 and carbon dioxide production is increasing by 0.6 per cent per year. South Africa has made small strides towards developing renewable energy supplies, but this should expand urgently. By 2050 the areas considered to be climatically suitable for our existing terrestrial systems are expected to shrink by 40 per cent.
Environmental governance	SMALL IMPROVEMENTS: South Africa has made major strides in improving its environmental legislation, access to information and environmental data, but enforcement, public participation and effective implementation of the legal system require urgent attention to ensure that we have not created a system with bark but not bite.
Freshwater sources	DETERIORATING: Water resources continue to decline in quality and quantity and South Africa will experience a dire shortage of water leading up to 2025, with local shortages already widely occurring. Almost all exploitable sources have been tapped and freshwater flows are decreasing annually, with salinity levels of surface water increasing. Only 18 per cent of our river systems are still intact; 54 per cent are critically endangered. More than 50 per cent of the wetlands have been destroyed and our estuaries are generally in poor condition, are afforded little protection and are declining in health. Too few of our terrestrial (only 6 per cent) and aquatic ecosystems (7 per cent of our rivers, 18 per cent of our wetlands) are formally protected with our critical water catchment regions lacking urgent intervention and protection
Invasive alien species	DETERIORATING: The spread of invasive alien species is rapidly increasing with significant negative consequences for the terrestrial biodiversity and humans, river flows and aquatic and estuarine biodiversity. Invasive alien plants have invaded over 10 million hectares of the country, reducing water flows, poisoning livestock and obliterating indigenous species. Over 750 tree species and 8,000 herbaceous species have been introduced. 20 per cent of listed alien plants are categorized as "major invaders"' and a further 15 per cent as "emerging invaders"
Land use and degradation	STATIC/DETERIORATING: Development and urbanization has caused a decline in arable land but details are scant, as is information on land degradation. However, 34 per cent of South Africa's terrestrial ecosystems are classified as threatened (vulnerable, endangered or critically endangered) in the 2005 National Spatial Biodiversity Assessment. These threatened ecosystems lie primarily within the Western Cape's fynbos biome, the central grasslands and the eastern coastal regions of South Africa. The condition of our soils in general is considered dire.

Marine biodiversity and fish stocks	DETERIORATING: Twenty of South Africa's key commercial marine fish species have been over-fished to the point where stocks have collapsed and are no longer viable. Threats to marine biodiversity continue to increase with abalone and line-fish stocks declining rapidly. Although the sardine fishery has recovered well, marine birds continue to be affected by long-line fishing. Coastal development and marine pollution are on the increase. The highly threatened West Coast has no marine protected areas.
Ozone depletion	IMPROVING: CFC production has decreased significantly since 1990, under the auspices of the Montreal Protocol.
Natural resource base	DETERIORATING: The natural resource base is deteriorating, due to over-exploitation and biodiversity loss.
Overall state of the environment	DETERIORATING: The state of South Africa's environment is extremely poor and declining. Most of the drivers of degradation have increased. South Africa's ecological footprint is higher than the global average and it ranks 93 out of 146 countries with regards to an Environmental Sustainability Index.

While the South African case may not fully represent the ecosystems trends in the region, it presents an ecological alert for the country and subregion to step up efforts for sustainable management of ecosystems.

In the case of development, the best way of assessing the trends in the subregion is through an analysis of the extent to which countries are working towards meeting the MDGs. The subregional picture is presented in Table 2.2 below:

Table 2.2: Trends in progress towards meeting the MDGs

GOAL	Lesotho	Malawi	Mauritius	Mozambique	Zambia
1 Eradicate extreme poverty and hunger	Slow progress	Likely to be met	Potentially	Potentially	Significant reforms and investments needed Yes Acceleration required
2 Achieve universal primary education	Off track	Unlikely to be met	Probably	Potentially	Yes Acceleration required
3 Promote gender equality and empower women	On track	Unlikely to be met	Probably	Probably	Yes Acceleration required
4 Reduce child mortality	On track	Likely to be met	Probably	Probably	Acceleration required
5 Improve maternal health	Off track	Unlikely to be met	Probably	Potentially	Significant reforms and investments needed
6 Combat HIV and AIDS, malaria and other diseases	Off track	Likely to be met	Potentially	Probably/ Potentially Improbably	Yes Acceleration required
7 Ensure environmental sustainability	Slow progress	Likely to be met	Potentially	Potentially	Significant reforms and investments needed Acceleration required
8 Develop a global partnership for development	Slow progress	Likely to be met	Potentially	Potentially/ Probably	

Adapted from: Government of Zimbabwe (2010), Government of Malawi (2010), UN Development Programme (2010), Government of Zambia (2011a), Republic of Mozambique (2010).

While food trade between African countries is very limited, Southern Africa and in particular South Africa are more oriented towards exports than the other subregions. In Southern Africa, food production has declined and suffers from high variability, reflecting the fact that rain-fed agriculture in arid or semi-arid regions is vulnerable to weather conditions. This means that the subregion has to pay more attention to climate change and its impacts, as well as to design and implement effective adaptation strategies[8]. This also brings to the fore more prominently the interlinkages between the environmental, social and economic pillars of sustainable development, and the need for integrated approaches.

In the area of forestry Southern Africa is among the global hotspots for deforestation, particularly in the eastern coast.

8 UN Economic Commission for Africa (2008), p 31.

2.4 Conclusion

Subregional priorities for sustainable development are: poverty reduction and reducing inequalities; food security and agriculture; climate change and its impacts; water; energy; regional integration; human development; governance and democracy; and economic growth and attracting investment for job creation. Other issues to be tackled include: market access and addressing supply-side constraints to trade; addressing the persistent debt burden in some countries; cushioning the development agenda from the declining levels of ODA; and exploring domestic resource mobilisation, industrial diversification, and addition value by processing the subregion's resources. The main trend in the subregion is overall ecosystem decline. There is a significant loss of forests. The impacts of climate change are having negative impacts on food security. HIV/ AIDS remains a real challenge. However, significant efforts are being made to create a conducive environment for development through improved governance and competitiveness. It is clear that much more needs to be done for the subregion to realise its targets, and to reverse the current negative trends in the quality of life of its people.

The subregional development plans, namely those of SADC, COMESA and SACU, and the national development plans spell out the subregional priority issues and trends on sustainable development. Member States are expecting to comply with these three subregional frameworks, their own national development plans and initiatives derived from global and continental agreements that get implemented at the subregional and national levels as Member States are also party to them. Additional initiatives are derived from the various bi-lateral or other agreements which Member States have made with their development partners. Progress in the implementation of these programmes varies. The overall assessment is that a lot more needs to be done if the subregion and the individual Member States are to meet their national development goals and the MDGs, including poverty reduction.

3. Concrete actions taken, highlighting best practices, progress made and achievements

3.1 Introduction

This section seeks to highlight progress being made at country and subregional levels, including examples and, where relevant, case studies of actions, best practices and achievements. It will provide statistics, where available, to demonstrate specific developments, trends, best practices and achievements.

The fundamental question in trying to assess progress in terms of concrete actions taken and best practices is: "Do we have a measurement for development that meets the needs of the present without compromising the ability of future generations to meet their own needs?" How do we know that, in a rush to meet the MDGs as part of meeting the needs of today's generation, we are not over-mining, over-harvesting, or polluting the environment to the extent that we compromise the ability of future generations to meet their own needs? If we do not know, how can we assess whether we are making progress in sustainable development?

3.2 Actions taken and best practices

There is consensus at the subregional level that the concept of sustainable development is well understood in Africa. This is amply demonstrated by the fact that the first Nobel Peace Prize for environmental activism was awarded to an African woman, the late Prof. Wangari Maathai. At the subregional level, there are examples of demonstrated leadership and commitment to sustainable development.

3.2.1 National actions

- The President of Mozambique, Armando Emílio Guebuza received the "Gift to the Earth" award in July 2011 signed by the Director-General and President of World Wide Fund for Nature Conservation (WWF) in recognition of his government's efforts in promoting and increasing the areas of conservation of natural resources;

  – **One Student, One Tree:** This initiative aims to encourage children to plant more trees to preserve nature and create an environmental awareness while inculcating from childhood a culture of stewarding the environment;

  – **One Leader, One Forest:** This initiative aims to encourage communities to develop activities that contribute to the preservation of the environment. This is in response to the need for mass action in environmental education at all levels and is an integral part of the Government's efforts to improve the socio-environmental conditions in the country. The initiative directs communities in how to create community forests, which will also contribute to global efforts to mitigate the effects of climate change. Under this initiative, forests have been created between 2009-2010 in all provinces and good examples are replicated elsewhere, with the local leaders of the initiative receiving some incentive in the form of bicycles for them to produce more.

- South Africa is due to host the 17th Session of the Conference of the Parties (*COP17*) to the UN Framework Convention on Climate Change (UNFCCC) in December 2011;
- The Prime Minister of Mauritius has taken leadership in sustainable development matters by putting issues of sustainable development under his office;
- In Malawi a company called Bio Energy Resources Limited (BERL) is promoting the commercial production of Jatropha trees. Communities earn income by selling trees and using fruits for blending;
- Botswana is building strong recycling capacity through public-private cooperation by bringing poor people into the recycling business using buy-back centres. The aim is to improve on current status, for example only 1.35 per cent of 6,000 tonnes/month of waste in Gaborone is recycled;
- Another noteworthy example of balancing natural resource use and community development is the Communal Areas Management Programme for Indigenous Resources (CAMPFIRE) programme in Zimbabwe, aimed at fostering rural development and conservation. It works with rural communities in supporting the use of wildlife as a natural resource and helping communities to manage the environment in a sustainable manner. CAMPFIRE was started in the mid-1980s and encourages local communities to make their own decisions about wildlife management and control. It aims to help people manage natural resources so that plants, animals and people - the whole ecosystem - benefit. It helps provide legal ways for such communities to raise money by using local, natural resources in a sustainable way. As a result, many communities now actively protect local wildlife, seeing it as a valuable asset. In some areas locals have even provided them with emergency food and water in times of shortage.

3.2.2 Subregional actions

Peace Parks

RECs are also implementing initiatives aimed at ensuring sustainable development and the attainment of MDGs. Examples of best practices include the development of trans-frontier conservation areas (TFCAs), also known as "peace parks". By 1996, it was apparent that southern Africa as a whole could become a tourist destination and an integral part of this vision was the development of TFCAs. There was growing recognition that tourism had the potential to become an economic engine and to create jobs that were urgently needed[9]. The most notable TFCAs in the subregion are the Kgalagadi Transfrontier Park and the Great Limpopo Transfrontier Park outlined in Boxes 3.1 and 3.2 below. They demonstrate the balance between the environment, social and economic pillars of sustainable development. They demonstrate the subregion's commitment to using tourism as a mechanism for regional integration and to using natural resources for community benefit. This is among the objectives of SADC's Protocol *on Wildlife Conservation and Law Enforcement of 1999*[10].

9 Peace Parks Foundation (2012)
10 The Protocol defines a trans-frontier conservation area (TFCA) as "the area or component of a large ecological region that straddles the boundaries of two or more countries, encompassing one or more protected areas as well as multiple resource-

Box 3.1: The Kgalagadi Transfrontier Park

On 7 April 1999, Botswana and South Africa signed a historic bilateral agreement whereby both countries undertook to manage their adjacent national parks, the Gemsbok National Park in Botswana and the Kalahari Gemsbok National Park in South Africa, as a single ecological unit. The boundary between the two parks had no physical barriers, although it is also the international border between the two countries. This allowed for the free movement of animals. On 12 May 2000, the President of Botswana and the President of South Africa formally launched Southern Africa's first peace park, the Kgalagadi Transfrontier Park. In October 2002, the governments set aside 580 km² (224 mi²) for the use of the native peoples, the Khomani San and Mier communities. This was divided between 277.69 km² of San Heritage Land and 301.34 km² of Mier Heritage Land. The South African National Parks (SANParks) manages the land under contract. The native communities retain commercial benefits and rights, as well as the use of the land for symbolic and culture purposes.

Box 3.2: The Great Limpopo Transfrontier Park

Great Limpopo Transfrontier Park is a 35,000 km² peace park, which links the Limpopo National Park (formerly known as Coutada 16) in Mozambique; Kruger National Park in South Africa; Gonarezhou National Park, Manjinji Pan Sanctuary and Malipati Safari Area in Zimbabwe; as well as the area between Kruger and Gonarezhou, the Sengwe communal land in Zimbabwe and the Makuleke region in South Africa. The memorandum of understanding for the creation of the peace park was signed on 10 November 2000 as the Gaza-Kruger-Gonarezhou Transfrontier Park. In October 2001 the name was changed to the Great Limpopo Transfrontier Park in Mozambique and Zimbabwe. Fence removals allow the animals to take up their old migratory routes, which had been blocked by political boundaries.

Community-Based Natural Resource Management (CBNRM)

Another initiative that has demonstrated the subregion's commitment to sustainable development is the widely adopted Community-Based Natural Resource Management (CBNRM). This approach to conservation and development recognises the rights of local people to manage and benefit from the management and use of natural resources. It entails transferring access and use rights back to communities, empowering them with legislation and devolved management responsibility, and creating partnerships with the public and private-sector actors to develop programmes for the sustainable use of a variety of natural resources. Countries involved include Zimbabwe, South Africa, Zambia, Malawi, Namibia and Botswana.

Southern Africa trends and rankings

The subregion has notable examples and best practices in governance to share with the rest of the continent. For example, 7 out of a total of 29 African countries which have acceded to the African Peer Review Mechanism (APRM) are from southern Africa. In October 2011, Mauritius won the accolade for being the best governed country in Africa, ranked using the Mo Ibrahim Index and 5 out of the top 10 countries in Africa on this scale are from Southern Africa (Table 5.1)[11]. Although there is room for improvements, there is a growing culture of good governance which can be replicated across the region, with a view to creating a conducive environment for sustainable development.

use areas". The Protocol commits the SADC Member States to promote the conservation of shared wildlife resources through the establishment of trans-frontier conservation areas.

11 The four categories of governance as assessed by the Index are: Safety & rule of law, participation & human rights, sustainable economic opportunity, and human development.

Table 3.1: 2011 Ibrahim Index Country Rankings

Rank	Country	Score out of 100
1	Mauritius	82
3	Botswana	76
5	South Africa	71
6	Namibia	70
8	Lesotho	63
16	Zambia	57
21	Mozambique	55
26	Swaziland	51
42	Angola	41
51	Zimbabwe	31

South Africa has been ranked the most competitive African country in The Global Competitiveness Report[12] 2010–2011 index, and it is ranked 54th globally. Other southern African countries in the top ten are: Mauritius - number 55 globally, Namibia - 74, and Botswana - 76 globally. While there are still significant challenges to be addressed, the progress made in these countries is commendable and is an integral part of efforts towards sustainable development and poverty reduction.

In the area of ICT, a notable example is the M-PESA innovation, which originated in Kenya, and has now been launched in Tanzania, South Africa and Afghanistan (Box 5.4). This is a clear demonstration of Africa's potential to create solutions to global problems, if the conducive environment is created.

12 The Global Competitiveness Report's competitiveness ranking is based on the Global Competitiveness Index (GCI), developed for the World Economic Forum. The GCI is based on 12 pillars of competitiveness, providing a comprehensive picture of the competitiveness landscape in countries around the world at all stages of development. The pillars are: institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, labour market efficiency, financial market development, technological readiness, market size, business sophistication, and innovation.

Box 3.3: Using ICT for development: M-PESA

M-PESA (M for mobile, pesa is Swahili for money) is the product name of a mobile-phone based money-transfer service, whose development was significantly impacted by Kenyans and which was initially sponsored by the UK-based Department for International Development (DFID) in 2003–2007. The initial concept of M-PESA was to create a service which allowed microfinance borrowers to receive and repay loans conveniently using the network of Safaricom airtime resellers. This would enable microfinance institutions (MFIs) to offer more competitive loan rates to their users, as it would reduce the cost of dealing in cash. The users of the service would gain through being able to track their finances more easily.

M-PESA is a branchless banking service, meaning that it is designed to enable users to complete basic banking transactions without the need to visit a bank branch. The continuing success of M-PESA, in Kenya, has been due to the creation of a highly popular, affordable payment service with only limited involvement of a bank. The system was developed and ran by Sagentia from initial development to the 6 million customer mark. The service has now been transitioned to be operationally run by IBM Global Services on behalf of Vodafone, the initial three markets (Kenya, Tanzania & Afghanistan) are hosted between Rackspace and Vodafone.

M-PESA is a fast, safe and easy way to transfer money from person to person and is a revolutionary way of making cell-phone technology work to serve a basic need common to millions of people. In Kenya 10 million people have adopted the service. According to Pieter Uys, Vodacom Group CEO[1], "There are other cell-phone banking products and money-transfer services out there, but there quite simply is nothing like M-PESA. The beauty of this service is the ease and speed with which people can send money to each other anywhere in the country." The innovative service has also been launched in South Africa, Tanzania and Afghanistan.

Poverty eradication or even alleviation is not going to be achieved through narrow sectoral projects, no matter how well-intentioned they are. It needs a systemic overhaul, especially when taking into account the development context of each of the countries (outlined in section 1 above). In addition, national development objectives are not going to be attained through partnerships, although these can enhance implementation of a well-articulated national vision. In that regard, therefore, the southern Africa subregion may wish to articulate further the extent to which global partnerships, which are formed on an unequal basis and are mostly to the disadvantage of poorer countries, will enhance the attainment of poverty eradication. This will not be achieved through food aid and development assistance. So, when African countries assess themselves as making good progress towards the attainment of global goals, what does this mean in practice? For example, Malawi won an MDG award in 2010 in recognition of its efforts on food security (Goal 1). Yet most of the resources that went into attaining that goal came from Malawi's development partners. A year later, in May 2011, there was disagreement between Malawi and the Government of the United Kingdom, funding was withdrawn and there were protests in the streets, which resulted in 16 people losing their lives. Are these the kind of global partnerships we are talking about? Once again, a good policy intention without the requisite resources for implementation is not good enough.

While frameworks and policies abound, including national development plans, their implementation remains a crippling challenge to poverty alleviation. It has been suggested that the conceptual frameworks that countries were applying for their national planning did not reflect the importance and need for balanced integration of the social, economic and environmental pillars of sustainable development. However, integration of sustainable development principles into national planning frameworks is not enough and actions and results will be required.

As mentioned previously, SADC drives the regional integration agenda and the Regional Indicative Strategic Development Plan (RISDP) forms its framework for development, and sets out clear targets and goals aimed at regional integration. These included the establishment of a Free Trade Area by 2008, the establishment of a Customs Union by 2010, the establishment of a Common Market by 2015, the establishment of a SADC Central Bank and Monetary Union by 2016 and a Regional Currency by 2018. Progress is being made in the attainment of these milestones, as exemplified by the establishment of the Free Trade Area in 2010. It is important to note that, while the SADC and COMESA programmes speak to social programmes such as education and employment creation, such programmes are best implemented and monitored at the national level. In this regard, regional bodies need to be very clear of their comparative advantage *vis-a-vis* what is best implemented at national level, and leave the latter to countries to deal with.

RISDP was being implemented through four directorates, including the directorate of Food, Agriculture and Natural Resources (FANR). SADC promotes sustainable development through, among others: the harmonization of policy and regulatory frameworks; facilitation of the development of regional strategies and programmes; capacity-building; resource-mobilization; facilitation of development and strengthening of regional support institutions; and facilitating international collaboration. Challenges include: the lack of functional national institutions to coordinate regional issues effectively; difficulties in harmonizing regulatory and policy frameworks, including integrating national and regional plans; and inadequate funding for both project development and implementation. Co-operation between RECs is seen as key to successful implementation of the agenda.

In terms of progress with implementation of the COMESA Programmes:

"The formal launch of the Customs Union by the COMESA Authority in June 2009 was a significant milestone on the way towards a Common Market and ultimately an Economic Community with a single currency. The fundamentals of the Customs Union are now in place. They include concrete agreement on the structure and rates of the Common External Tariff (0 per cent for both capital goods and raw materials, 10 per cent for intermediate goods, and 25 per cent for final goods), the principles for a Common Trade Policy, the Customs Management Regulations, the revenue collection and sharing mechanism, and the institutional and administrative structure" (COMESA, 2010, pg 17).

NEPAD was adopted as a socio-economic development framework in 2001 and seeks, among others, to eradicate poverty and place African countries on a path of sustainable growth and development. NEPAD priority areas included agriculture and food security; education and training; environment and tourism; infrastructure; health; trade and market access; science and technology; governance and gender and civil society. NEPAD's major frameworks or programmes include the Comprehensive Africa Agriculture Development Programme (CAADP), the Action Plan for the Environment Initiative, the Infrastructure Short-Term Action Plan (STAP); the Framework for Water and Energy, the Capacity Development Strategic Framework and the Frameworks on Education, Health and Information, Communication and Technology. SADC and COMESA have harmonised priorities with those of NEPAD and many countries have made great efforts to domesticate NEPAD priorities and integrate them in their national development plans. Notable among these are South Africa, Malawi, Lesotho, Swaziland and Mozambique, all of which had national processes aimed at integrating NEPAD into their national development processes. The SADC Secretariat also participates in all NEPAD-related events, including the NEPAD Heads of State and Government Implementation Committee, since renamed the NEPAD Heads of State and Government Orientation Committee (HSGOC).

Rwanda in East Africa has created a good example of creating national ownership and domesticating regional development frameworks, through concrete demonstration of national benefits derived from the NEPAD programme. Rwanda, with Ghana and Kenya, was one of the three pioneers of the APRM. In addition, the Organisation for Economic Cooperation and Development (OECD) has recently given Rwanda and Tanzania high ratings for the way they use donor funding. For example the OECD praises the way Rwanda has owned its "development process by initiating its own policies - then asking the donor community to fund them. Rwanda has adopted a national capacity development strategy and action plan and put in place institutional arrangements for an operational approach with political leadership" (OECD, 2011).

NEPAD is a regional framework but is being implemented at subregional level in various sectors, such as agriculture, infrastructure, environment, and science and technology. One subregional initiative is the NEPAD-OECD Africa Investment Initiative. In line with the RISDP goal of increasing foreign direct investment in the region, this works to improve the capacity of African countries to identify and implement concrete policy reforms that strengthen the environment for investment, growth, employment-creation and poverty reduction. It is organised around three central pillars: providing a forum for investment policy-makers, supporting country-led investment reviews and reforms, and engaging the private sector as a development partner. The fourth NEPAD-OECD Africa Investment Initiative's Annual Ministerial Meeting and Expert Roundtable took place in Johannesburg, South Africa, on 11-12 November 2009. Following up on G20 and OECD calls for laying the foundations of a stronger and greener world economy, the meetings addressed ways of mobilising resources against the crisis and boosting private investment in energy infrastructure, including through carbon finance. The initiative's focus on private-sector engagement in infrastructure was strongly supported. High-level representatives from NEPAD and OECD countries issued recommendations calling for reforms in the areas of tax, financial markets and energy.

3.3 Conclusion

There is a clear understanding of sustainable development within the subregion, demonstrated by the many historical and current contributions being made to sustainable development subregionally, regionally and globally. There is also a consensus that the subregion can contribute significantly to global sustainable development solutions, based on current initiatives. The M-Pesa innovation is an example of what Africans could contribute to ICT development and applications to resolve problems. The CAMPFIRE programme is also a demonstration of how people and society, management of natural resources and economic development can co-exist and also demonstrates the interlinkages between the three pillars of sustainable development. The trans-frontier initiatives offer the subregion a solution to its priority for regional integration. The Mauritius and Mozambique examples also demonstrate the level of political commitment to sustainable development. However, there is a concern that these initiatives need to be scaled up in order to have a positive impact on long-term poverty reduction. The gap between policy and implementation is too wide, and lack of adequate resources hinders implementation.

3.

4. Implementation challenges and constraints

4.1 Introduction

"All programmes planned regionally must ultimately be implemented by Member States. It is here, at national level, that plans are given concrete expression, where the "rubber meets the road" (COMESA, 2010, pg 70).

Countries face different kind of challenges with respect to implementing sustainable development programmes. This section takes into account the fact that different countries are at different levels of development and highlights some challenges and prospects for advancing sustainable development and implementing agreed sustainable-development frameworks at regional level or at national level with regional implications. These include resources (financial and human), regional and national institutional capacity, institutional coordination issues and political will and leadership, including ongoing challenges and the incentive regimes required to get the private sector involved. This section will also analyze the persistent forces and dynamics in maintaining the "brown economy".

The implementation challenges and constraints should be analysed within the broader context of emerging challenges that have hampered Africa progress, which was already slow, towards achieving the primary targets of its sustainable development agenda. The primary constraints are outlined below.

4.2 Key Challenges

(1) In Africa there is continued fragmentation, overlap, duplication and competition between institutions, in spite of the existence of good frameworks such as those of NEPAD and the RECS. Big challenges to overcome include adequate capacities, including organizational, human, and financial. This results in duplicative processes and imposes heavy burdens on developing countries in particular to attend meetings and report;

(2) The environmental pillar is not integrated within the national and regional planning processes due to lack of an adequate, reliable and effective institutional framework and its implementation is slow. The continent faces severe social problems and, in this context, environmental issues are not perceived to be as important in comparison with other major social issues and are therefore de-prioritised. Some perceive a dichotomy of development versus environment. The challenge for practitioners is to ensure that tackling environmental problems is integrated into national strategies and they need to demonstrate direct socio-economic gains, since focusing only on environmental issues will not guarantee much progress;

(3) Making the different funding mechanisms operational, both for climate change and for broader sustainable development issues, and rolling them out has been slow. Where funds are made available, a new challenge arises to distribute the funds at national level and this demonstrates lack of financial absorption capacity, gives room for misuse of funds and makes funders sceptical about the use of resources.

New and emerging challenges

A new generation of challenges has emerged in the 21st Century, outlined below:

(1) The climate-change challenge and its impacts reduce the opportunities to move towards a sustainable transition to a low-carbon economy, green development and food security. Climate change is unique in that it is an environmental disaster that is almost entirely externally driven, with minimal contribution within the subregion, except in South Africa;

(2) Development planning and consumption patterns are still centred on old economic paradigms and undermine the urgency of a situation which has not previously been encountered in world history;

(3) The succession of crises (economic, political, environmental and financial) have not yet revealed their real long-term impact on sustainable development objectives. They may require countries and regional institutions to adjust and reduce their ambitions towards clean production and clean development;

(4) There is a major shift of foreign investment in that investors into Africa are increasingly originating from China, India and Brazil, in competition with traditional investors from Europe and the US, and this will increase environmental destruction and competition for natural resources. It will also worsen the existing conflict between development and sustainable exploitation of resources;

(5) Disconnect between political and socio-economic actors: The most significant and underestimated challenge with the understanding and implementation of sustainable development is that it is conceptually clear, but problems in practicality make it ineffective when implemented. There is a lack of a "piercing centre of action" at all levels. This can be compared with historical opportunities such as the Witwatersrand Gold Rush in South Africa in the late 19th century or the fight to end colonialism across the African continent in the 20th century. There was a single, very clear objective - whether it was self-enrichment from gold or emancipation from imperial/colonial masters – and this made it possible to galvanize people to action, aligned to a common goal. Sustainable development is a very diffuse set of multiple targets and objectives with different actors having different interests and understanding of the problems and/or opportunities. This makes it difficult to create a critical mass of stakeholders aligned to the same outcomes;

(6) Globalisation: The world as an interconnected globalized political economy[13] leaves African countries vulnerable to external shocks and capital outflows due to capital flight, interest on institutional debt for instance as promoted by "Washington Consensus" institutions the World Bank and the International Monetary Fund (IMF), and the actions of debt vultures[14]. This leaves African countries in a state of "perpetual indebtedness" without sufficient funding capacity or sovereign control of their economic agenda for sustainable development initiatives;

(7) Misallocation of Capital: In the last few decades much capital was poured into property, fossil fuels and structured financial assets with embedded derivatives as opposed to pouring capital into renewable energy, energy-efficiency, public transportation,

13 Ngara, S (2011).

14 Debt vultures are companies who buy Third World countries' debt on secondary debt markets at a discount and then sue for the full amount through UK or US banks (see Ngara).

sustainable agriculture, ecosystem-protection and land and water conservation.[15] However, it is important to note that capital, by its very nature, moves in search of high returns and moves up a value chain from land-use to higher-end goods, such as mass computerization and intellectual property. The challenge is to create incentives for capital to be poured into sustainable development imperatives;

(8) The strategic capability to deliver sustainable development successfully is frequently limited;

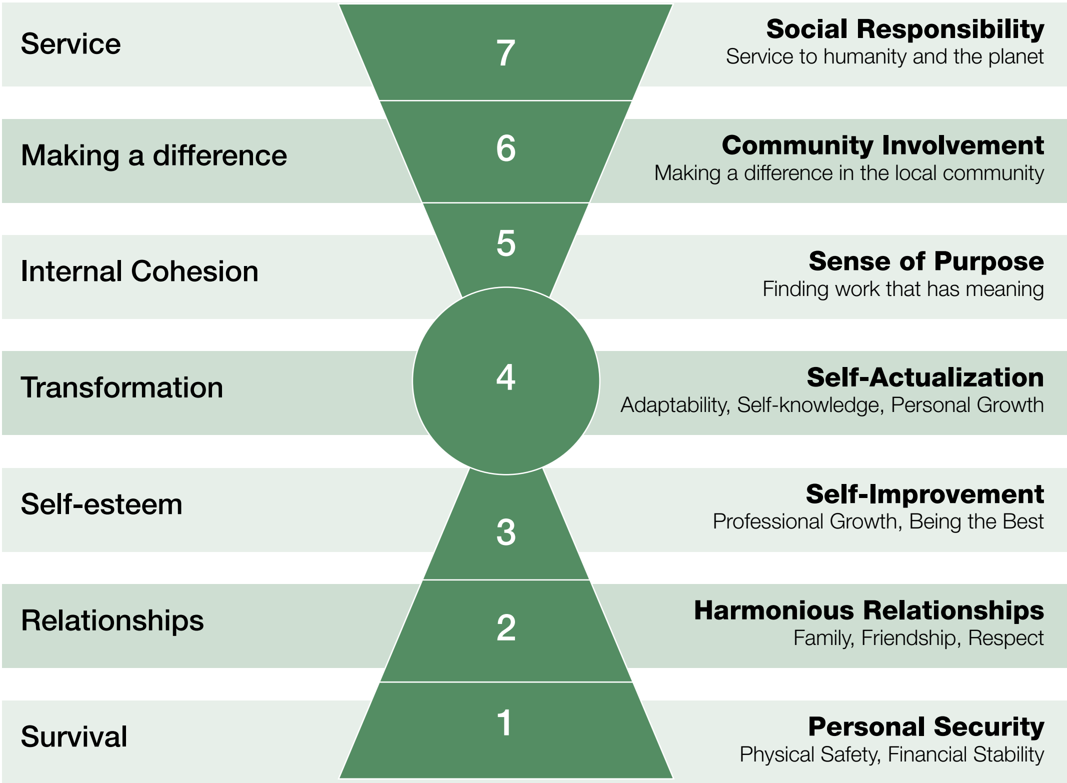
(9) Tension between MDG goals and objectives: There exists a short-term tension between goals, for example, MDG 1 of Eradicating Extreme Poverty & Hunger and MDG 7 of Ensuring Environmental Sustainability. Without strong strategic capability it is then unclear how to navigate this scenario. There are 8 MDGs, with 18 quantifiable targets and 48 indicators. It is often unclear how to prioritise and manage trade-offs amongst them. This leads to confusion and a spectrum of country responses, where some countries try to do them all while other countries are unclear how to start (as demonstrated in Table 6.2);

(10) Misalignment of Timing of Catastrophe – Al Gore, a former Vice President of the United States of America, puts himself[16] in the shoes of future generations, who would either ask: "What were they thinking?" if the incorrect response to climate change is taken; or who would ask: "Where did they find the moral courage?" if climate change is combated correctly. While this is correct, most economic participants may find it easy to ignore in the present a catastrophe that is going to occur in an undefined far distant future, in contrast, for example, with combating HIV/AIDS (MDG 6), where an individual will feel the consequence of the catastrophe personally and immediately. This means that the consequences of inaction on sustainable development can be and are depersonalized and deprioritized;

(11) Consciousness Misalignment: Human reality can be viewed along several dimensions of consciousness. One popular framework is Maslow's Hierarchy of Needs and this has been expanded to form the Seven Levels of Consciousness[17].

15 UN Environment Programme (2011).
16 An Inconvenient Truth, 2006, Documentary, Paramount Pictures.
17 Available at www.valuescentre.com (accessed 14 September 2011).

Figure 4.1: Seven Levels of Personal Consciousness

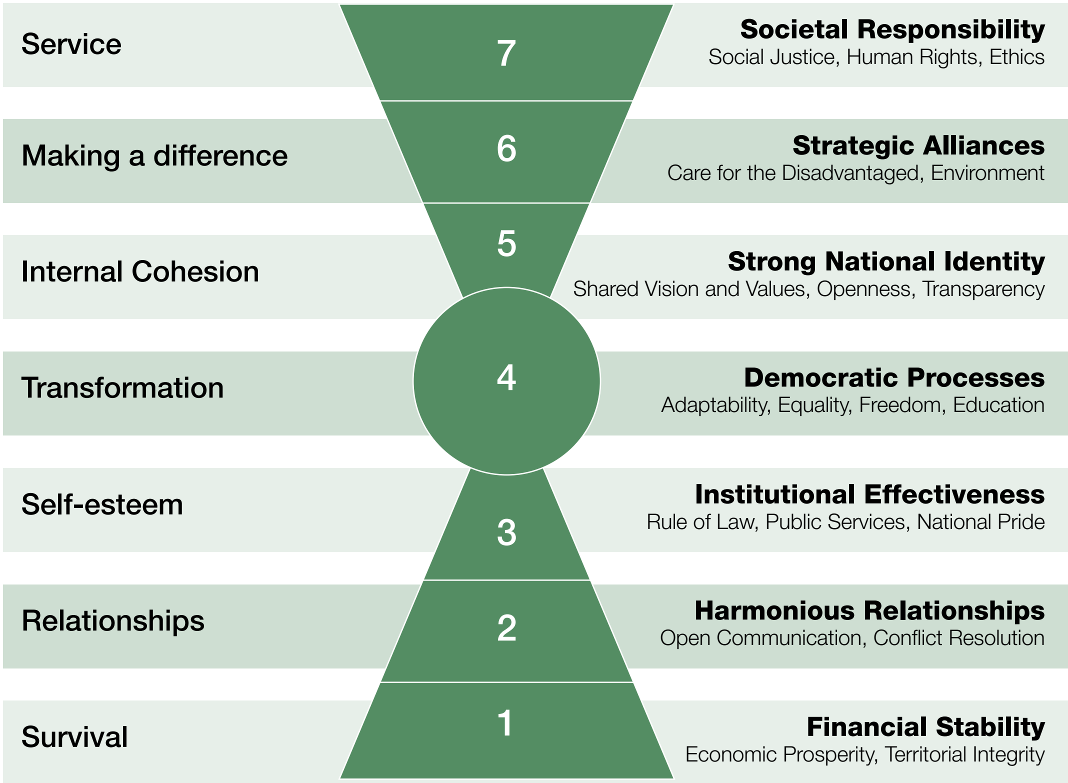


Source: www.valuescentre.com

In a society where people's basic needs are not being met, the lived reality is Survival Consciousness, at Level 1. At Level 7, service consciousness is a lived reality and social responsibility creates a misalignment between the demands of the "green economy" and the people who would be participants in that economy. It is less important to people to reduce their carbon footprint as a perceived conceptual term (if indeed the carbon footprint is known) than it is to meet human needs such as finding food or seeking self-advancement and comfort. Excessive pursuit of comfort tends to have a large carbon footprint.

This concept can be extended to National Consciousness:

Figure 4.2: Seven Levels of National Consciousness



Source: www.valuescentre.com

At level 1 is survival consciousness, working towards financial stability, economic prosperity and territorial integrity. Only towards the top end of the scale comes "making a difference consciousness" where the environment is taken into consideration. This indicates a structural tendency to maintain the "brown economy", as nations look to the existing economic paradigm for their survival.

(1) Stakeholder (Mis)Alignment: A capitalist view of society is one in which participants are trying to grow capital assets[18] and ideally live off income streams derived from this capital without depleting the underlying capital. This principle applies equally to personal retirement and inheritance as to business growth. Considering that capital asset growth is the underlying motive of business, it is recommended that business embraces approaches that minimise impacts on the biodiversity and ecosystems services on which it is dependent. However when CEOs are interview they tend to hold the view that business growth has only limited dependency on biodiversity and ecosystem. To confront this, there has been a move towards sustainability reporting in order to engage business in matters of sustainability. The idea is to move sustainability reporting to the same level of importance as financial reporting, which influences investor and customer sentiment and ultimately the share price and capital asset growth. At this point sustainability reporting does not appear to be regarded with significant priority;

18 Zipplies, R (2008).

It is very interesting to note that sustainability reporting has been well received by large corporations in South Africa. The largest corporations position themselves as "green companies" and produce significant sustainability reports as part of their annual reporting cycle. A discussion called the Dinokeng Scenarios, whose hosts included corporate South Africa and which engaged many significant business, political and civil-society stakeholders, created an environment whose purpose was to "create a space and language for open, reflective and reasoned strategic conversation among South Africans about possible futures, risks and choices these futures present".[19]

The country's assets were noted as the Constitution, strong and independent institutions of the judiciary, the media and civil society, economic gains creating net new jobs, and social spending including education and health. The environment and natural capital were not mentioned at all, apart from mentioning that clean water has been delivered to more than 5 million households

This is fundamentally an issue of materiality and accountability. Financial performance and reporting are seen as material to the business community, while sustainability performance and reporting are still to claim their space on the agenda. The business logic is that incentives determine behaviour and this needs to be understood and applied. Most businesses are rewarded on short-term incentives, whether short-term signals that trigger movements in share price or efforts by their employees to attain salary bonuses. There is a fundamental disconnect with the long-term incentive of sustainable development as this has no immediate financial benefit.

(2) Multiplicity of externally driven "priorities": As has been demonstrated above, there are just too many development frameworks and at times these are not fully aligned. This tends to stretch the few resources available at the national level. Government departments have little capacity to respond to these global demands to "look good". Countries sometimes misallocate the meagre resources they have: for example, to prepare annual UN reports of one form or the other in order to look good at the international stage, without domesticating and implementing the same frameworks.

(3) Too many institutions responding to same fundamental problems: It has been said in joke that each time there is a problem, Africans create an institution to handle it. The new institutions are then caught up in the same constraints of bureaucracy and lack of resources and capacity which the existing institutions already face. This is true of many countries' response to many of the global, continental, and subregional programmes and frameworks, for example. Most countries have a gender desk or ministry; an MDG desk or section in the ministry; a NEPAD ministry or department; a SADC desk; a COMESA desk (depending on whether a country belongs to one or both blocs). The main roles and functions of these establishments are to coordinate national action and stakeholders around the respective issues, but not necessarily to implement anything.

(4) COMESA, in its Medium-Term Strategic Plan 2011-2016, highlights the following as key challenges encountered in implementing its 2007-2010 Medium-Term Strategic Plan:

- Weak capacity at the level of Member States to oversee the implementation of programmes;
- Lack of harmonization and integration of national development plans and budgets to reflect commitments made at COMESA policy organs (summits of Heads of State and

19 www.dinokengscenarios.co.za, accessed 15 September 2011

of the Council of Ministers);

- Financial constraints which result in COMESA's development partners contributing approximately three times the domestic contributions to the COMESA budget;
- Poor communication and information flow among stakeholders, as well as stakeholder sensitisation;
- The global financial crisis hampered programme implementation;
- Capacity in monitoring and reporting;
- The high poverty levels also hinder implementation.

(5) Financing of the implementation of subregional projects is a major constraint to the sustainable development of the subregion. In addition, funding of a subregional Secretariat such as the SADC Secretariat is always a challenge, as Member States do not always pay their dues or may not pay them in time. SADC has identified financing mechanisms in the context of the implementation of the RISDP and divides these into two types: one is for facilitation and coordination, and the other is for implementating projects. The former is financed mainly by contributions from Member States, as well as by development partners. So far they are still mostly exploring options for the latter, and focusing on many potential sources, including the following:

- Public finance;
- ODA;
- Debt relief;
- Domestic savings;
- Foreign direct investment (FDI) and portfolio investment(FPI);
- Development finance and the network of Development Finance Institutions (DFIs);
- Financing mechanisms for development;
- Public-private partnerships (PPPs);
- Domestic financial and capital markets;
- Private equity and venture capital;
- A SADC development fund.

SADC is developing strategies for the realization of these funds but, for now, there is no predictable and/or sustainable funding source for both the operational and programmatic costs of the RISDP and of the SADC Secretariat. In addition, it is yet to establish the extent to which all these potential sources of funding will provide relevant and realistic opportunities for SADC. It needs to take into account dwindling resources, and the effects on potential funders of the global recession and continued reprioritization.

4.3 Conclusion

The subregion and its Member States face a number of challenges and constraints which hinder it from realising the development goals stipulated in the various frameworks at national, subregional, continental and global levels. These challenges and constraints pertain to: lack of implementation capacity; too few resources whether human, financial or technological; donor dependency and externally driven and determined priorities; short-term and sectoral approaches to development planning and implementation, which is further compounded by the fact that development plans change each time there is a change of political leadership; and a lack of clear approaches to integrated sustainable development, even in cases where policy-makers have set clear goals. Other critical challenges that need to be addressed include lack of ownership, leadership and political will to implement long-term programmes, poor visioning and indecisiveness. Effective implementation is further hindered because of limited participation at local and national levels by a wide enough range of stakeholders.

5. Inter-linkages between the economic, social and environmental pillars of sustainable development

"Ecosystems are capital assets. We don't include them on our balance sheets, but if we did the services they supply would dwarf everything else in value… ecosystems support human life, and by harming them we harm ourselves. The sooner we realize this and behave accordingly, the better chance we have of meeting human needs sustainably and conserving the diversity of life on Earth."

Dr. Taylor Ricketts, World Wildlife Fund[20]

"I've come on a special mission on behalf of my constituency, the millions of trillions of insects and other small creatures, to make a plea for them. Please keep in mind that if we would wipe out insects from this planet – which we are trying hard to do – the rest of life would disappear within a few months."

E.O. Wilson, biologist and author at TED 2007 awards[21]

5.1 Introduction

This section will provide an analysis on the inter-linkages between the economic, social and environmental pillars of sustainable development, and how these inter-linkages are manifested in the subregion. It will also highlight the need for integrating climate-change adaptation and mitigation into the overall sustainable development and poverty reduction approaches at national and subregional level. The section will also highlight some challenges and prospects for increased integrated approaches to sustainable development.

In the financial world an "asset" is any possession that has value in exchange. These are either tangible or intangible. A tangible asset derives its value from physical attributes. Tangible assets are either reproducible, such as machinery, or non-reproducible, such as land or mines. Economics, the key discipline underpinning the financial world, is concerned with making the best use of scarce resources. In business this is financial capital, which businesses aim to grow on their balance sheets while covering their day-to-day operating costs with income streams (specifically in the form of cash flows) generated by the capital assets invested in the business. Any reduction in the value of financial capital is usually an indication of a business on its way to ruin.

Using the "five capitals" model[22], human society as a whole is modeled as having:

- Natural capital: This forms the basis of all life and ecosystems and is the foundation of human well-being. It includes renewable resources, such as wood, fisheries, arable land and fresh water; non-renewable resources, such as mineral deposits and sinks that absorb, neutralize or recycle wastes; and ecological processes that include regulating our climate and diseases;

20 Zipplies. R, op. cit.
21 Available from www.ted.com (accessed 3 September 2011)
22 Available from www.forumforthefuture.org.uk (accessed 12 September 2011)

- Human capital includes our knowledge, skills, health and the motivation necessary to be socially and economically productive in pursuit of a better quality of life. Human capital is enhanced through education, training and health;
- Social capital includes the institutions that help us to maintain and develop human capital in trust-based partnership with others. It includes institutions such as families, communities, businesses, government, labour unions, schools and voluntary organizations;
- Manufactured capital comprises material goods or fixed assets that contribute to the production process or the provision of services but are not themselves part of the output. For example, it includes tools, machinery, buildings and infrastructure;
- Financial capital is the traditional measure of economic progress. It plays an important role in our economy, enabling the other types of capital to be owned and traded, for example, through shares, bonds or banknotes. Unlike the other types of capital, it has no intrinsic value itself but is representative of natural, human, social or manufactured capital.

Natural capital is the base off which the other capitals are created. Humanity depletes our natural capital to build human, social, manufactured and financial capital. According to one account23: "The challenge for human society is to learn to live in harmony with its ecosystems, the key constituent of our natural capital. The income streams generated by our natural systems are for spending; the capital must remain sacrosanct." If natural capital is not preserved, there will be no base and this would invite destruction of the other capitals.

The implicit assumption is that there is abundant natural wealth and this leads to the conclusion that that all economic growth must, of necessity, consume more materials, eco-system services and energy. It also assumed that resources such as water, energy, minerals, plant and animal products, and air quality will constantly be available no matter how we live, produce and consume24. As a report for South Africa's National Framework for Sustainable Development (NFSD) states: "We have also viewed our rivers, seas, land and air as unending sinks for increasing amounts of solid, liquid or airborne wastes, despite the fact that the increasing degradation of our natural resources clearly indicates these sinks can no longer cope. In short, the nature of our economic growth path and key indicators, such as rising average household consumption levels, is closely correlated to rising levels of resource consumption and waste generation."25

Theory states that it is human intervention that has upset the "natural" order, and therefore we need to engage at a human level to understand the trajectory as we go forward. "All perceptions are, however, formulated whilst being-in-the-world and the process is not rational, nor does it present a view from no-where, as Hegel describes. There are thus no complete or all-encompassing perspectives or facts in themselves. Human beings embody their environments and contexts, and there is always the danger of knowledge systems becoming controlling systems of thought. Human beings are thus historically conditioned to provide responses they have become socialised into; and often cannot step back from these and rationally alter them. As a result of this, cognition is not something that is rational and engaged with consciously. The environment is observed through the retina where images are processed by the mind during a cognitive process to compute understanding of the phenomena, together with adequate behaviour for the given situation."

23 Zipplies. R op cit
24 Department Environmental Affairs and Tourism, Republic of South Africa (2008).
25 ibid.

(Brown and Sewchurran)26

Those in charge of managing specific sustainable development strategies therefore need to understand their impacts on human development and on environmental sustainability, and the optimal relationship between the two in the short-, medium- and long-term.

Humanity's impact on the biosphere has tripled since 1961. In the 1980s humanity went into ecological deficit, where our ecological footprint began to exceed the planet's bio-capacity as humanity consumed resources faster than nature could restore them27. In effect "people are turning resources into waste faster than nature can turn waste back into resources".28

In tandem with population growth, the 20th century also represented the greatest growth in human prosperity in human history29. However this was a very uneven distribution of wealth. The rich developed a culture of excess and of consumption and resource depletion. There is excessive demand for natural resources at both ends of the wealth spectrum: among the poor because they are in such large numbers and among the rich because of their high consumption per capita.

Theory suggests that humanity's relationship with the biosphere will continue to deteriorate until a new international economic order is achieved, a new environmental ethic is adopted, human populations are stabilized and sustainable modes of development become the rule rather than the exception. Development must take into account the socio-economic and ecological factors of the living and non-living resources base if it is to be sustainable. It must also take into account the short- and long-term advantages and disadvantages of alternative actions.

The most effective way societies can avoid such problems is to integrate conservation processes into every stage of development initiatives, from the initial design and creation of policies to their eventual implementation and operation. This can be achieved through adopting anticipatory environmental policies and cross-sectoral conservation measures and strategies, as well as ethics of sustainable development.30

It is important therefore to recognize that the more sophisticated a society becomes, the more likely it is to increase its ecological footprint. In 2003, it was estimated that globally we were overshooting by 25 per cent to 30 per cent. Each nation differs in its per capita footprint, depending on its resource consumption. It comes as no surprise that the US footprint is 9.6 hectares per capita – it has been calculated that if we all lived like Americans, we would require 5 planets. On average, the Swiss require 5.1 hectares, the Chinese 1.6 and South Africans 2.3 hectares. Of course, the wealthier individuals need to remember that their national average is significantly reduced by the low ecological footprints of the many people in low-income groups.

We are thus not using the planet's resources responsibly. In order to sustain our rate of consumption, we are liquidating our natural capital – our savings – as opposed to living off the free natural income or interest that is offered to us by the planet.[31]

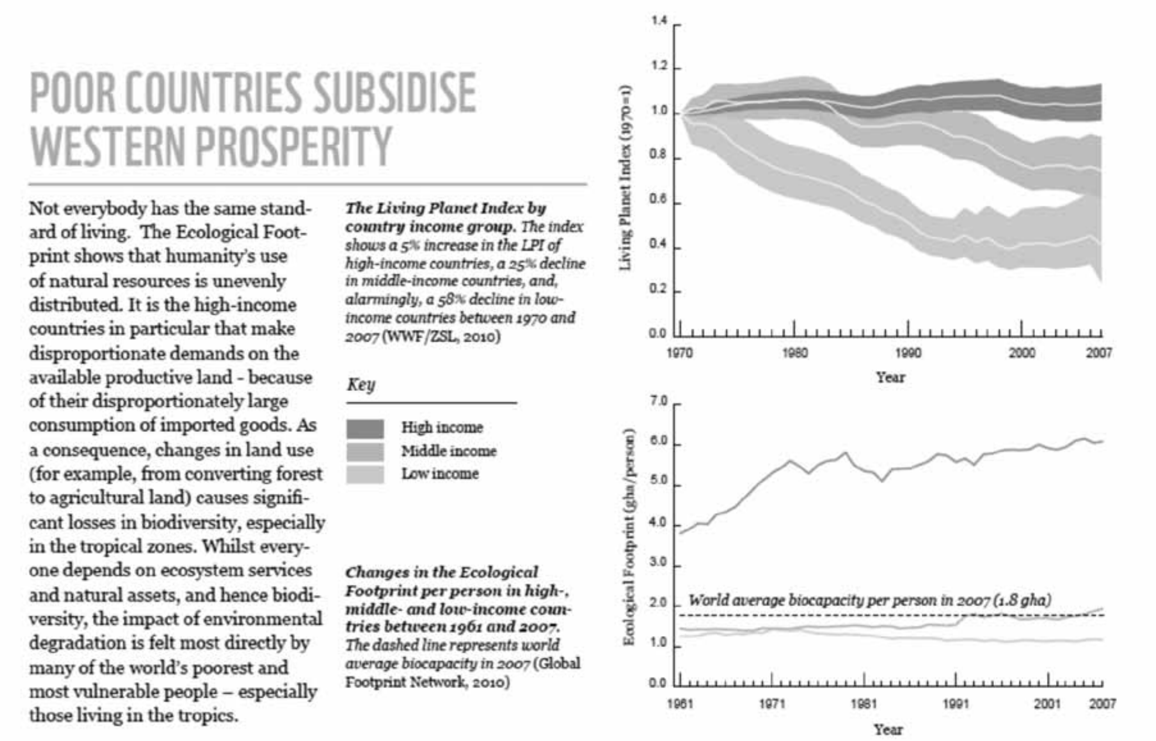
26 Sewchurran K and Brown I (2011).
27 ibid
28 WWF (2006)
29 Reich R (2009)
30 See Jansen. R (2011)
31 Zipplies. R op. cit.

5.2 *Interconnected Global Ecology*

Herein lies the fundamental challenge: the interconnected nature of the global ecology (in an anomalous way to the interconnected nature of the global economy) is such that policy has to take into account actions taken in faraway countries. The human activity contribution component of variation in temperature due to industrial greenhouse gas emission or changes to the great ocean conveyor belt (technically known as the "thermohaline circulation") is driven largely by activities in rich countries, resulting in developing countries effectively subsidizing rich countries' prosperity in ecological terms.

A coordinated and integrated effort is required to move to the zone of sustainability (of high human development and low ecological footprint). This is a difficult prospect to coordinate, given that nations compete for resources for purposes economic development.

Figure 5.1: Poor countries subsidise western prosperity



Source: Living Planet Report 2010.[32]

South Africa may be the first to seek to move to sustainability, through the signing of the Green Economy Accord in November 2011. There are no other notable examples in the subregion to demonstrate the desired approach to the implementation of sustainable development initiatives, but the examples of Mexico and Japan demonstrate what is possible.

Mexico has managed good utilization of Payment for Ecosystem Services (PES, part of REDD-plus). Three thousand owners of forest areas, including collectives and individuals, made commitments to preserve an area of 2,365 square kilometres the forest and in the first seven years of the programme received payments of over US$300m. This programme is estimated to

32 WWF (2010).

have reduced deforestation by over 1,800 square kilometres which meant more than halving the annual rate of deforestation from 1.6 per cent to 0.6 per cent. This effectively contributed to protecting water catchments and biodiverse forests in addition to cutting emissions of about 3.2 million tonnes of carbon dioxide equivalent.

Japan has developed the concept of tradable development rights. In the Nagoya region, any property developer wishing to exceed development limits as prescribed can offset their excess by buying and conserving the Satoyava forest areas that are at risk of deforestation. The incentives for green development include discounts on bank loans with green certification.

5.3 Conclusion

The inter-linkages between the economic, social and environmental pillars of sustainable development are fundamentally not being achieved. Ministries and government departments with responsibility for areas linked to these pillars in respective countries act independently and there is little coordination. Multi-lateral organizations have challenges of effectiveness, for example UNCSD is top-heavy and has little capacity on the ground for implementation, while questions are being raised as to how integrated UN agencies such as UNDP, UNCSD, and UNEP are when it comes to project delivery.

Reporting processes become something of a farce. Governments send lower-level staff to subregional reporting sessions on sustainable development and only send the Minister, President or Prime Minister when the reporting is at the UN. There is a big bureaucracy to support UN reporting and large reports (often 300 pages each) are developed a month before reports are due. Would it not make more sense to have continuous monitoring on a regular basis on key indicators that are relevant to the context of the country and subregion?

A subregional sustainable development strategy should be developed that would interface with the Office of each country's President or Prime Minister, as appropriate. This should use management of key data to drive monitoring and evaluation. The private sector should be accountable through legislation on reporting, backed by sufficient penalties to incentivize them to comply. Civil society could be strengthened through innovative financing, generated out of revenue raised from penalizing polluting activities, for example a carbon tax.

There is a need to use the principle of "knowledge-attitude-practice" (KAP) to devise campaigns such as tree planting and waste recycling. These would encourage ordinary people at the grassroots to participate and raise public awareness and consciousness about sustainable development.

6. Institutional and strategic framework for sustainable development in the subregion

"An effective institutional framework for sustainable development at all levels is key to the full implementation of Agenda 21, the follow-up to the outcomes of the World Summit on Sustainable Development and meeting emerging sustainable development challenges" (WSSD JPOI33).

6.1 Introduction

This section will provide an analysis of the institutional and strategic framework for sustainable development in the subregion, and will highlight what is working, why it is working, and what is not working. It will make some recommendations for an effective and well-functioning institutional framework for sustainable development in the subregion. It will look at a trajectory/roadmap from the present to a new framework incorporating the challenges identified – especially the persisting ones - and how to overcome them. Some examples and case studies will be used.

At the global level, the strengthening of the institutional framework for sustainable development should be based largely on Agenda 21, the Programme for the Further Implementation of Agenda 21 of 1997 and the Rio Declaration on Environment and Development. It should promote the attainment of international development goals that have already been agreed upon, and at the same time it should be responsive to the needs of all countries."It should lead to the strengthening of international bodies and organizations dealing with sustainable development, while respecting their existing mandates, as well as to the strengthening of relevant regional, national and local institutions."34 The objectives of the strengthening the institutional arrangements for sustainable development are:

- Strengthening commitments to sustainable development;
- Integrating the economic, social and environmental dimensions of sustainable development in a balanced manner;
- Strengthening the implementation of Agenda 21, including through the mobilization of financial and technological resources, as well as capacity–building programmes, particularly for developing countries;
- Strengthening coherence, coordination and monitoring;
- Promoting the rule of law and strengthening of governmental institutions;
- Increasing effectiveness and efficiency through limiting overlap and duplication of activities of international organizations, within and outside the UN system, based on their mandates and comparative advantages;
- Enhancing participation and effective involvement of civil society and other relevant stakeholders in the implementation of Agenda 21, as well as promoting transparency and broad public participation;
- Strengthening capacities for sustainable development at all levels, including the local

33 World Summit for Sustainable Development (2002).
34 ibid.

level, in particular those of developing countries;

- Strengthening international cooperation aimed at reinforcing the implementation of Agenda 21 and the outcomes of the summit.

It is important to note that the UN General Assembly is being called upon to adopt sustainable development as a key element of the overarching framework for UN activities, and in particular for achieving the MDGs. This is important in that it has a direct bearing on sustainable development actions at the national and subregional levels, and the manner in which UN Member States monitor and report their activities. It is additionally important because it has a direct bearing on allocation of resources at the national level.

The WSSD JPOI notes the coordination role of the UN's Economic and Social Council, as well as that of the Commission on Sustainable Development. It calls for more speedy action on the latter, particularly in the promotion of coherence and partnerships. Other international institutions, such as the Global Environmental Facility (GEF) and the World Trade Organisation (WTO), are also called upon to promote the implementation of Agenda 21, the WSSD outcomes, the MDGs and related global agreements.

The JPOI further states, concerning the regions: "Implementation of Agenda 21 and the outcomes of the Summit should be effectively pursued at the regional and subregional levels, through the regional commissions and other regional and subregional institutions and bodies. Intra-regional coordination and cooperation on sustainable development should be improved among the regional commissions, United Nations Funds, programmes and agencies, regional development banks and other regional and subregional institutions and bodies. This should include, as appropriate, support for development, enhancement and implementation of agreed regional sustainable development strategies and action plans, reflecting national and regional priorities. In particular, taking into account relevant provisions of Agenda 21, the regional commissions, in collaboration with other regional and subregional bodies, should: Promote the integration of the three dimensions of sustainable development into their work in a balanced way…"[35]

At the national level, "States should: Continue to promote coherent and coordinated approaches to institutional frameworks for sustainable development, and establish or strengthen existing authorities and mechanisms necessary for policy -making, coordination and implementation and enforcement of laws; Take immediate steps to make progress in the formulation and elaboration of national strategies for sustainable development and begin their implementation by 2005".[36]

Pargraph 163 notes that: "Each country has the primary responsibility for its own sustainable development, and the role of national policies and development strategies cannot be overemphasized. All countries should promote sustainable development at the national level by, inter alia, enacting and enforcing clear and effective laws that support sustainable development. All countries should strengthen governmental institutions, including by providing necessary infrastructure and by promoting transparency, accountability and fair administrative and judicial institutions".[37]

Lastly, the WSSD JPOI highlights the importance of multi-stakeholder participation in taking decisions and making policy, and the need to establish local mechanisms for participation.

35 ibid.
36 ibid.
37 ibid.

6.2 Subregional institutions and frameworks

In reality, however, the situation is more complex. The subregion, through its Member States, has to respond to various international, regional, subregional and national frameworks for sustainable development. For example, at the international level, and through the Rio process, countries are called upon to establish national sustainable development bodies, such as national councils for sustainable development (NCSDs). The MDGs of 2000 are also part of the global consensus on development targets, to which all countries and the subregion have responded in one way or the other. "The JPOI recommends countries to establish institutions, including at the local level, and enhance local institutional arrangements for sustainable development" (UN Economic Commission for Africa (2005)).

At the continental level, programmes also make demands, for example NEPAD's Environment Action Plan requires countries to establish institutional mechanisms for the its effective implementation . Other continental programmes also call for an integrated approach to development, and consequently, integrated mechanisms for development.

Member States and the subregion are already supposed to respond to a multiplicity of sustainable development frameworks. While most Member States are party to the development of these targets and frameworks, capacity is often lacking among Member States and at the subregional level to ensure implementation of these programmes. This is mainly because the development frameworks are not effectively domesticated, beyond being referred to in policy documents and having institutions/desks established and named after them.

The same challenge is experienced at the subregional level, where as stated earlier, countries may belong to more than one REC, each of which has its own programmes and frameworks for sustainable development. **Relevant RECs include SADC, COMESA, SACU and ECCAS (Angola).**

At the COMESA level, some institutions have been established in order to implement some of the COMESA programme. Some of these institutions and their roles are outlined in Box 6.1 below.

Box 6.1: Some COMESA institutions

The Eastern and Southern African Trade and Development Bank (commonly known as the PTA Bank) supports the regional integration process through its two financing windows: project finance and trade finance. The former is a medium- to longer-term credit facility while the latter is designed for short-term credit and loan needs.

The COMESA Clearing House, through the Regional Payment and Settlement System (REPSS), facilitates the settlement of intra-regional transactions in goods and services among the Member States.

The COMESA Re-Insurance Company (ZEP-Re) provides risk-management services for insurance companies in COMESA Member States, while the African Trade Insurance Agency (ATIA) provides investment and credit-risk insurance. It is designed to facilitate trade, investment and productive economic activities through insurance, re-insurance, co-insurance and other financial instruments.

The COMESA Leather and Leather Product Institute (LLPI) promotes the value-added development of the leather industry through capacity-building and research.

The Federation of National Associations of Women in Business in Eastern and Southern Africa (FEMCOM) promotes women's entrepreneurship and women's businesses through technical support, resource mobilization and capacity building.

The Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA), a specialized institution of COMESA, seeks to catalyze increased farmer productivity and incomes in the COMESA subregion through trade in staple crops. Its focus includes the commercial integration of stable food crops into national and regional markets as one means of promoting food security.

Adapted from COMESA (2010)

6.3 National institutions and frameworks

In most instances, national development plans espouse sustainable development principles (Table 6.1 below). However, there are often challenges in terms of the institutional set-up for turning these principles into action. Ministries such as those of environment, energy, water, agriculture, national planning, tourism have overlapping and/or contradictory mandates. In addition, there is poor coordination between these institutions, which makes an integrated approach to sustainable development impossible. In some countries, ministries that deal with poverty eradication are not the same as those dealing with the implementation of MDG targets.

Table 6.1: National frameworks for sustainable development

Country	National development plan
Angola	National Sustainable Development Strategy (2007)
Botswana	Poverty Reduction Strategy, National Development Plan and district development plans
Lesotho	Interim National Development Framework, 2009/10–2010/11. The purpose is to bridge the period between the end of the Poverty Reduction Strategy and the start of a National Development Plan in 2011/12.
Malawi	The Malawi Growth and Development Strategy II (2006-11)
Mauritius	National Development Strategy
Mozambique	Poverty Reduction Action Plan 2011-2014 (PARP, it is also called the Mozambique Poverty Reduction Strategy Paper (PRSP); Environmental Strategy for Sustainable Development was adopted in 2007 by the Council of Ministers.
Namibia	Third National Development Plan (NDP3) 2007/8-2011/12. Vision 2030
South Africa	The New Economic Growth Path
Swaziland	The National Development Strategy (NDS)
Zambia	Sixth National Development Plan 2011-2015; National Programme on Sustainable Consumption and Production for Zambia
Zimbabwe	The Medium-Term Plan is Zimbabwe's national economic development strategy and responds to the mandate set out in Article III of the Global Political Agreement (GPA) to support the restoration of economic stability and growth in Zimbabwe. It builds on the foundations laid by the Short Term Emergency Recovery Programme (STERP) (Feb-Dec 2009) and the Three-Year Macroeconomic Policy and Budget Framework (STERP II).

Most of the institutions for environmental management and sustainable development at national level are fairly young, as most were established in the 1990s. Most are underfunded and lack capacity. For example, in Malawi, concerns have been raised because there is no common understanding of sustainable development across relevant ministries and departments, as well as amongst stakeholders. This lack of common understanding results in poor coordination of the implementation of sustainable development programmes. In addition, the lack of understanding makes it difficult to bring the private sector on board in a meaningful and sustained way.

For many countries, the setting-up of institutions for development and/or sustainable development becomes an end in itself, rather than a means to an end. In addition, the national set-up mainly focuses on environmental management and not for the three pillars of

sustainable development (environment, economic, and social development - see Table 7.2). From the countries that were consulted, it is only in Malawi where issues of sustainable development are handled within the Ministry of Development Planning and Cooperation. This is an ideal situation in that this Ministry oversees the national implementation of the Malawi Growth and Development Strategy, which encapsulates targets relating to the social and economic aspects of sustainable development, thereby providing an integrated conceptual institutional approach to sustainable development. The institutional conceptual approach is aided by the fact that multi-stakeholder national committees are being set up to oversee the implementation of the various aspects of the Malawi Growth and Development Strategy38. In practice, most countries see sustainable development as a preserve of the Ministry of Environment and as mainly a green issue.

Table 6.2: Institutional set-up for environmental management at national level

Country	Ministry/Department	Year of Establishment
Angola	The National Secretariat for the Environment was established in 1983, and became the Ministry for the Environment in 1997. Over the years, the name of this Ministry has changed several times, but it is currently known again as the Ministry of Environment.	1983; 1997
Botswana	Ministry of Environment, Wildlife and Tourism[2] (MEWT)	2002
Lesotho	The Department of Environment, formerly known as the National Environment Secretariat (NES), is currently under the Ministry of Tourism, Environment and Culture. The Department of Environment is a lead agency for environmental management and promotes socio-economic and environmental sustainable development	1994
Malawi	Ministry of Natural Resources, Energy and Environment	
Mauritius	Ministry of Environment and Sustainable Development	
Mozambique	Ministry for the Coordination of Environmental Affairs	1994
Namibia	Ministry of Environment and Tourism	1990
South Africa	Ministry of Water and Environmental Affairs, formerly Department of Environmental Affairs and Tourism	1994
Swaziland	Swaziland Environment Authority was established by the Swaziland Environment Authority Act 1992 and is a department of the Ministry of Tourism and Environmental Affairs.	1992
Zambia	Ministry of Tourism, Environment and Natural Resources	2002
Zimbabwe	Ministry of Environment and Natural Resources Management	1983

Political will and leadership: the political will to achieve sustainable development cannot be sought overseas at UN summits, which occur every ten years. Regional leaders need

38 Interview with Chief Economist, Mr. Jolamu Banda.

to demonstrate their seriousness about the attainment of MDGs through the effective implementation of their national development programmes, which have the ownership of the people on the ground. The UN summits should serve as platforms to demonstrate successes at the national and regional levels and to inspire each other, rather than for Southern African leaders to "beg" for more pity from the developed world. Experience in the past few years has amply demonstrated that Africa and the Southern Africa subregion cannot and should not rely on the promises of developed countries while their own people suffer from hunger and lack of access to health, environmental services and education, because these promises are never fulfilled. Also, the WSSD JPOI clearly states that sustainable development is the responsibility of each State.

As far as the establishment of national councils on sustainable development are concerned, the subregion has not fully embraced the recommendation, as exemplified by selected countries below (Table 8.2).

Table 6.3: National councils on sustainable development

Country	Status
Angola	No
Botswana	No
Lesotho	No
Malawi	No: The Department of National Planning is coordinating the establishment of a national committee on sustainable development, which will involve all stakeholder groups. The challenge they have is getting all relevant stakeholders and government departments/ministries on board, and creating one common understanding of sustainable development at the national level.
Mozambique	Yes: Mandate includes: Make recommendations to the Ministers responsible for the various areas of natural resource management on matters relevant to those areas Propose mechanisms to simplify and expedite the licensing process for activities related to the use of natural resources Develop proposals for financial incentives or other measures to stimulate economic agents to adopt environmentally sound procedures in the use of natural resources
South Africa	No: The Department of Environmental Affairs and the Department of International Relations and Cooperation coordinate the country's participation in the international dialogue on sustainable development. Other structures that are used to make provision for representation of national, provincial and local government and of other major groups include the Committee for Environmental Coordination, the Ministry of Science and Technology, and Ministerial political (MINMEC) and technical (MINTECH) structures, as set up through the Intergovernmental Relations Act. There are also cabinet clusters which provide a platform for engagement. The National Planning Commission was established as an advisory body tasked with preparing recommendations for the Cabinet on issues affecting South Africa's long-term development. In particular, the commission is expected to draft a vision statement for 2030; produce a development plan setting out how this vision can be achieved; present reports on issues affecting long-term development such as infrastructure investment, water resources and inequality. The mandate of the commission is to take a broad, cross-cutting, independent and critical view of South Africa, to help define South Africa in 20 years' time and to map out a path to achieve those objectives.
Swaziland	No:

Zambia	No: Zambia does not have a National Committee on Sustainable Development or a strategy or plan on sustainable development. It was agreed that the National Development Plans would serve the purpose for fear of having a multiplicity of national plans competing for resources and prioritisation but this has not helped raise the profile of sustainable development.
Zimbabwe	No: No such institutional structure at public sector. Some initiatives to form one were started a few years ago, but they collapsed. National institutional coordination is weak but the private sector and NGOs have their own structures.

6.4 Conclusion

At the regional level, issues of sustainable development rest with the African Union Commission's Department of Rural Development and Agriculture. The main institutional frameworks for sustainable development within the subregion are those set out in the SADC, COMESA, and SACU frameworks and programmes (as well as ECCAS). Unfortunately, the frameworks do not provide for effective implementation, mainly because the institutions are under-resourced and are not well coordinated. At the national level, all countries have set up institutions in the form of ministries and/or departments for environmental management. However, as is already evident, aspects of sustainable development go beyond ministries of environment and include water, agriculture, energy, trade and industrialisation. The current institutional sets-up within the subregion are therefore inadequate to address the full spectrum of sustainable development and there is need for a systemic institutional review, at all levels, with a view to coming up with effective and appropriate institutional mechanisms for sustainable development within the subregion. This kind of review requires bold and decisive leadership.

It is also recommended that countries that have not yet established national structures for sustainable development do so. These institutions should be mandated with the responsibility of raising awareness on sustainable development and highlighting the interlinkages between the three pillars. Countries should be encouraged to improve co-ordination mechanisms between government departments and other key stakeholders to ensure multi-stakeholder participation at the local/community and national levels.

There is a need to strengthen and develop capacity for sustainable development and to improve institutional coordination at national, subregional, and regional levels. Given the key role of the UN, it is important that coordination of UN agencies at all levels be improved to avoid overlap and ensure effective delivery.

7. Transition towards a "green economy" within the context of poverty reduction and sustainable development in the subregion

7.1 Introduction

The transition towards a "green economy" is taking centre-stage in the sustainable development arena, and this has serious implications for the region's poverty-reduction strategies and programmes. This section will highlight current concepts, perceptions of the concept of the green economy and developments on the green economy. It will analyze the extent to which the green economy is achievable in Southern Africa and under what conditions and/or circumstances. It will also highlight some of the challenges that the subregion may face as it tries to move towards a green economy, and the implications of a green economy for poverty reduction and sustainable development. The section will highlight the factors would make the green economy a reality, and the investments required. It will highlight the main debates around the green economy, and link them to relevant global debates and trends on climate change, energy access, and others. It will also make recommendations on how the transition to a green economy can best be linked to the subregion's approach to the global climate change debates.

The global outlook looks bleak. Challenges include of:

- Achieving food security for 9 billion people by 2050;
- Freshwater scarcity by 2030;
- Poor sanitation for 2.6 billion people;
- 884 million people with no access to clean drinking water;
- MDGs looking very uncertain[39].

As has already been established, the root cause is explained as the gross misallocation of capital into property, fossil fuels and structured financial assets with embedded derivatives as opposed to investment into renewable energy, energy efficiency, public transportation, sustainable agriculture, ecosystem protection and land and water conservation.

Given widespread crises, most notably the financial crisis of 2008 and, at the time of writing, the unfolding Eurozone crisis, the idea of a green economy is beginning to gain attention.

39 UN Environment Programme (2011).

7.2 Creating a common understanding of the green economy

A green economy can be defined as one that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities (UNEP 2011). In its simplest expression, a green economy can be thought of as one which is low-carbon, resource-efficient and socially inclusive. Practically speaking, a green economy is one whose growth in income and employment is driven by public and private investments that reduce carbon emissions and pollution, enhance energy and resource efficiency and prevent the loss of biodiversity and ecosystem services. These investments need to be catalyzed and supported by targeted public expenditure, policy reforms and regulation changes. This development path should maintain, enhance and, where necessary, rebuild natural capital as a critical economic asset and source of public benefits, especially for poor people whose livelihoods and security depend strongly on nature.[40]

The concept of a "green economy" does not replace sustainable development as sustainability depends on moving from an economic paradigm that has resulted in social marginalization and resource depletion. Sustainability is still a vital long-term goal, but we must work on greening the economy to get us there. To make the transition to a green economy, specific enabling conditions will be required. These enabling conditions consist of the backdrop of national regulations, policies, subsidies and incentives, international market and legal infrastructure, and trade and aid protocols. At present, enabling conditions are heavily weighted towards and encourage the prevailing brown economy, which depends excessively on fossil fuel energy among other problems.

At a national level, examples of such enabling conditions for green economy are: changes to fiscal policy, reform and reduction of environmentally harmful subsidies; employing new market-based instruments; targeting public investments to "green" key sectors; greening public procurement; improving environmental rules and regulations as well as their enforcement; and educating the citizenry on green economics. At an international level, there are also opportunities to add to market infrastructure, improve trade and aid flows, and foster greater international cooperation[41].

The first question we have to ask is; "What kind of economic development model is being sought to resolve Africa's current challenges without losing sight of its international standing in international geopolitics?" The next question is to then ask; "What sort of economic model is necessary to resolve Africa's future challenges?" and finally: "Is the "green economy", as defined, the appropriate model for Africa to meet these considerations?"

According to South Africa's National Planning Commission: "Energy transitions, food security, climate change and new technologies - a combination of rising energy prices, a desire for energy security and the threat of climate change will continue to drive changes in the way societies work. Similarly, rising demand for food is likely to result in higher food prices globally. Beyond their direct impact on South Africa, these drivers will have profound effects for our economy and society, both offering opportunities and posing threats. Beyond the transition to new energy technologies, developments such as the convergence of nanotechnology, biotechnology, information technology and cognitive science in new configurations will almost certainly reshape economies, societies and lifestyles."[42]

40 ibid.
41 ibid.
42 National Planning Commission of South Africa (2009).

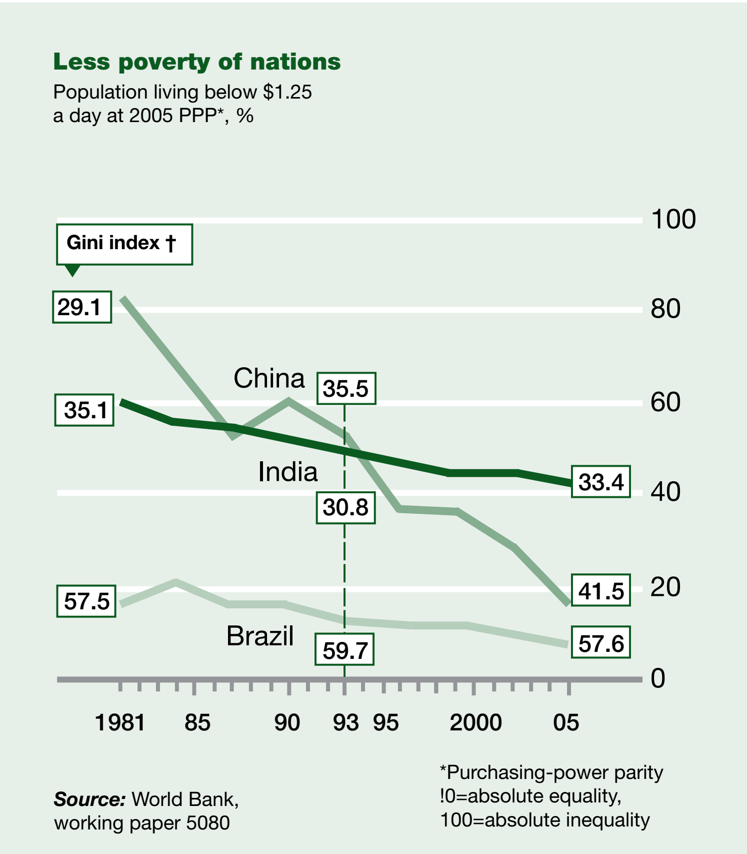
Table 7.1: Development Indicators 2009

	Africa	China	India	Japan	Brazil	USA
GNI/Capita[3] (US$ PPP)	1,680	6,710	3,230	37,870	10,260	46,730
Absolute Poverty	46%	8%	25%		31%	12%
Gini Coefficient	67.9	46.9	36.8	38.1	57	40.8
FDI 2008 (US$ billion)	15.1	147.8	41.2	24.6	45.1	319.7

The usual model characterizes a developed country as having high production possibilities curve (PPC), a low Gini Coefficient (a measure of income inequality), few people living on less than $1.25 per day, and high foreign direct investment (FDI). It follows then that an underdeveloped country has a low PPC, a high Gini Coefficient, a significant proportion of its population living on less than $1.25 per day and low FDI. Much of Africa remains underdeveloped.

A comparative analysis of Brazil, China, India and Japan revealed the following (Figure 9.1):

Figure 7.1: A comparative analysis of Brazil, China, India and Japan



Between them, Brazil, China and India account for half the world's poorest people and an even bigger share of those who have escaped poverty. In 1981, 84 per cent of China's population was below the poverty line of $1.25 a day (in 2005 prices); in 2005 the share was just 16 per cent (see chart). This amounted to a 6.6 per cent proportionate annual rate of poverty reduction—the difference between the growth rates of the number of poor and the total population[43]. According to an article in *The Economist* magazine[44]: "These figures do not mirror growth rates. Brazil cut poverty by more than India despite much lower growth, just over 1 per cent a year in 1993-2005, compared with India's 5 per cent. If you calculate the rate of poverty reduction for each unit of GDP growth per person, Brazil did even better than China: the ratio is 4.3 for Brazil, 0.8 for China and 0.4 for India (0.8 if you use the adjusted consumption figures). Per unit of growth, Brazil reduced its proportional poverty rate five times more than China or India did."

BRAZIL

Bolsa Familia is the largest conditional cash transfer programme in the world. By the end of 2008, it had reached around 11.3 million families, 46 million people, around 75 per cent of the estimated number of poor families corresponding to a quarter of Brazil's population at an annual cost of US$ 4.5 billion (0.4 per cent of the GDP). The programme provides income support to poor families subject to their fulfilling of certain human development requirements such as child school attendance[45].

CHINA

By 1997 a majority of the Politburo[46] members (17 out of 24) held university degrees; among those 17, 14 were engineers and another two had degrees in scientific fields[47]. China cut poverty the most by focusing on agriculture first and then on manufacturing. However, by not maintaining a focus on agriculture as it industrialized, the rural poor suffered and inequality rose, reducing the poverty-reducing effect of growth. In addition, social security in China is still provided largely through the enterprise system (i.e. companies), so it tends to bypass the "unemployed", who work in informal agriculture[48].

INDIA

At independence in the 1940s India had a fascination with "big science" and "complex engineering". The Government sponsored the "Smiling Buddha" nuclear-testing project in partnership with Canada in the 1970s[49]. It also created the software industry in the 1980s by attracting FDI through permitting foreign equity and duty-free import of inputs and products, creating an industry whose exports grew to 20.4 per cent of global market in 2002-3[50]. A key strategy for India has been growing entrepreneurship. Incubators[51] have been set up to provide skills training, financing, procurement and marketing for entrepreneurs, with the result that 45 per cent of industrial employment, 35 per cent of exports and 40 per cent of industrial output comes from small and micro enterprises[52].

43 Ngara, op. cit.
44 The Economist, "Fighting poverty in emerging markets, The gloves go on, Lessons from Brazil, China and India" 26 November 2009
45 http://www.ilo.org/public/libdoc/jobcrisis/download/109B09_28_engl.pdf
46 The Politburo, short for political bureau, is a group of between 19 and 25 individuals who oversee the governing Chinese Communist Party(CCP).)
47 Hyman Miller (2002).
48 Ibid, 25
49 http://www.asianwindow.com/india/homi-sethna-the-nuclear-scientist-behind-project-smiling-buddha-is-dead/
50 http://business.mapsofindia.com/india-industry/software.html
51 www.nsic.co.in
52 www.sidbi.com/ssireport.asp

India had both growth and social policies, yet did worst because its policies reflect the attitudes of the social caste system. The lowest 20 per cent of the poor are the least likely to have any kind of ration card (the key to public handouts), whereas the top 20 per cent of the poor are the most likely to.

Japan took a different trajectory following World War II when the USA deployed General MacArthur to reconstruct it: "'Between 1947 and 1949', as Wikipedia reports, 'approximately 4,700,000acres (1,900,000hectares) or 38 per cent of Japan's cultivated land was purchased from the landlords under the government's reform programme, and 4,600,000 acres (1,860,000 hectares) was resold to the farmers who worked it. By 1950, 89 per cent of all agricultural land was owner-operated and only 11 per cent was tenant-operated.' As Japan began to recover, the Americans opened their doors widely for any number of Japanese goods at concessionary terms – for, without ready markets an economic miracle is not possible."[53]

Most important to assess is that economic growth and poverty reduction are not necessarily aligned and the strategies used must include an interrogation of pro-poor economic growth. Brazil and Japan's trajectories through property ownership maximization and usage of technology and tying in human development considerations such as schooling and health created the best pro-poor economic growth, even if it may not have been the most effective overall economic growth. These considerations create a paradigm of social mobility which provides a foundation for sustained economic growth.

Therefore, in order to determine which economic strategies to pursue, a key metric to assess is rate of poverty reduction per unit of GDP per capita. So the question for Africa to answer is whether or not the transition to a green economy creates a paradigm for sustained pro-poor economic growth with a high rate of poverty reduction per unit of GDP per capita. A new concept and metric are therefore proposed to assess this question adequately: "Does sustained pro-poor economic growth directly translate into environmentally sound economic growth?"

The sustainability of any complex flow system has been shown to be measured with a single metric as an emergent property of its structural diversity and interconnectivity and hence requiring a balance between efficiency and resilience.

The proposed metric, therefore, of the complex flow system between the economy with human needs and the ecological concerns to make this assessment is rate of poverty reduction per unit of per capita GDP per unit of ecological footprint reduction.

What this measurement does is that it determines the trajectory that a country is in terms of pro-poor economic growth (as measured by rate of poverty reduction per unit of per capita GDP as noted) and projections can then be made. Green economy interventions are then introduced to reduce the ecological footprint with its corresponding rate of poverty reduction per unit of per capita GDP. A comparison would then need to be made as to whether or not the pro-poor economic growth is improved or not by the introduction of measures designed at ecological footprint reduction.

A decision tree then arises:

53 Ngara, op. cit.

- If pro-poor economic growth stays stagnant with introduction of green economy interventions, it is best to continue with green economy interventions;
- If pro-poor economic growth grows with the introduction of green economy interventions, then the holy grail of sustainable development will have been determined, however;
- If pro-poor economic growth is found to decline with the introduction of green economy interventions, then a moral and, perhaps legal, question will present itself. Is it correct to sacrifice living poor people today in the hope of preventing poverty in the future? Is that not "playing God"?

A useful framework to make this assessment is provided by combining the sustainable development policy of Mauritius, MID (Maurice Ile Durable), which has six key variables:

- Education;
- Employment and the economy;
- Energy;
- Environment and pollution;
- Environment and preservation of biodiversity;
- Equity.

with South Africa's National Framework for Sustainable Development, which asks to overturn for an economic model characterized as "business as usual" in favour of a model where: "…economic growth can be decoupled from rising resource consumption and increased waste outputs via the application of technologies and systems that reduce the so-called "total material requirements" of expanding production and consumption."[54]

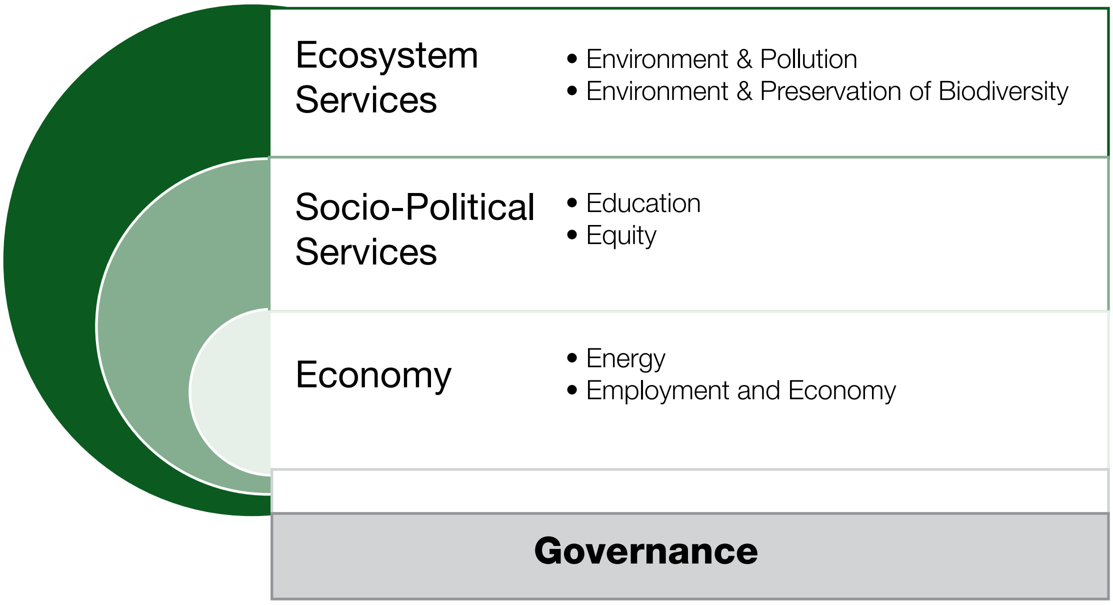
Developing, emerging or transition economies are typically dealing with the dual development challenges of:

- Economic growth;
- Poverty eradication.

A commitment to sustainable development means recognising there is now a third challenge facing economic policy, namely: "How to decouple economic growth and poverty eradication from rising levels of natural resource use and waste per capita over time"[55] (See Figure 9.3 Below).

54 Department Environmental Affairs and Tourism, Republic of South Africa (2008).
55 ibid.

Figure 7.2: Balancing the three pillars of sustainable development



"The diagram represents a systems approach to sustainability because the economic system, socio-political system and ecosystem are seen as embedded within each other, and then integrated via the governance system that holds all the other systems together within a legitimate regulatory framework. Sustainability implies the continuous and mutually compatible integration of these systems over time; sustainable development means making sure that these systems remain mutually compatible as the key development challenges are met via specific actions and interventions to eradicate poverty and severe inequalities. This is preferable to the more commonly used image of the three separate intersecting circles which depict sustainable development as limited to a fragile space where all three circles intersect."[56]

The thesis is that the green economy should merely be the economics of sustainable development. It must be conceptualised, shaped and implemented by those that see long-term benefit in it, beyond meeting the greenhouse reduction quotas.

A view of the green economy has been put forward which suggests that, in 1997, the value of global ecological benefits was valued at US$33 trillion, which was then about 1.8 times global gross national product[57]. The three key factors causing environmental burden are population size, individual consumption and technology and so the suggestion is that the route to "green economies" is through an allocation of 2 per cent of global GDP to change in ten key sectors:

- Agriculture;
- Buildings;
- Energy supply;
- Fisheries;
- Forestry;

56 ibid.
57 Costanza, R. and others (1997.)

- Industry including energy efficiency;
- Tourism;
- Transport;
- Waste management;
- Water.[58]

According to South Africa's National Strategy for Sustainable Development: "The interdependence between people - planet - prosperity is evident in for example MDG targets about halving the proportion of people without sustainable access to safe drinking-water and sanitation, and the proportion of people who suffer from hunger, by 2015; as well as targets on reversing the spread of HIV/Aids and incidence of malaria by the same date. The importance of this interdependence is underscored by the World Health Organisation's estimate that 'the economic benefits of investments in meeting these targets would outweigh costs by a ratio of about 8:1. These benefits include gains in economic productivity as well as savings in health-care costs and healthy life years lost, particularly as a result of diarrhoeal diseases, intestinal nematode infections and related malnutrition.[59]

Again the question is to determine what is the best route for Africa to take to transition to the zone of sustainability with high human development and low ecological footprint which would suggest environmentally sound pro-poor economic growth.

In 2007, a study was launched called the Economics of Ecosystems and Biodiversity (TEEB), hosted by UNEP, noted in the Preface that:"Applying economic thinking to the use of biodiversity and ecosystem services can help clarify two critical points: why prosperity and poverty reduction depend on maintaining the flow of benefits from ecosystems; and why successful environmental protection needs to be grounded in sound economics, including explicit recognition, efficient allocation, and fair distribution of the costs and benefits of conservation and sustainable use of natural resources.[60]

TEEB defines biodiversity as "variability among living organisms from all sources including terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part; this includes diversity within species, between species and of ecosystems."[61]

According to the study, a Millennium Ecosystem Assessment found the following ecosystem services:

- Provisioning services – wild foods, crops, fresh water, plant-derived medicines;
- Regulating services – filtration of pollutants by wetlands, climate regulation through carbon storage and water cycling, pollination and protection from disasters;
- Cultural services – recreation, spiritual aesthetic values, education;
- Supporting services – soil formation, photosynthesis and nutrient cycling.

58 UN Envrioment Programme (2011).
59 Department Environmental Affairs and Tourism, Republic of South Africa (2008).
60 TEEB (2010).
61 ibid.

The logic then becomes that the flow of ecosystem services is the "dividend stream" from natural capital. It demonstrates its resilience and ability to function in the window of variability by its ability to provide services under changing conditions.

The challenge is that most pricing or tracking on open exchanges is for consumptive ecosystem services, i.e provisioning services. Non-consumptive ecosystem services such as recreation or non-use values such as spiritual or cultural are important in decision-making but these benefits are rarely valued in monetary terms in the same way.

Some other ecosystem benefits, especially regulatory services such as water purification, climate regulation (e.g. carbon sequestration) and pollination have only recently begun to be assigned an economic value which would be an indirect use value. These values, when calculated, form the majority of total economic value of an ecosystem but remain largely invisible in day-to-day accounts of society.

The TEEB approach says that economic assessment should be a tool to guide biodiversity management, not as a pre-condition for taking action.

It takes a tiered approach:

- Recognize value – e.g. cultural heritage sites;
- Demonstrate value – valuation is best applied for assessing the consequence of change resulting from alternate management options rather than attempting to estimate the total value of an ecosystem;
- Capturing value – introduction of mechanisms that incorporate the values of ecosystems into decision-making through incentives and price signals;
  - Payments for Ecosystem Services (PES), which offers incentives to farmers in exchange for managing land for ecological conservation. The "big three" drivers are climate change mitigation, watershed services and biodiversity conservation;[62]
  - Reforming environmentally harmful subsidies;
  - Tax breaks for conservation;
  - New markets for sustainably produced goods & ecosystem services;
  - Reinforcing rights over natural resources and liability for environmental damage.

Considerations include equity for users of common resources and future generations as well as economic efficiency.

Since many developing countries have mixed characteristics as "two nations"[63], the notion of GDP for the poor is pertinent. Contributions of forests and other ecosystems to the livelihoods of poor rural households are very significant and there is much potential for conservation efforts

62 Applying the Coase Theorem (attributed to 1991 Nobel Prize laureate Richard Coase), environmental externalities can be solved through private bargaining between people who are willing to pay in order to reduce an environmental hazard and people willing to accept compensation in order to reduce the activity that generates the environmental burden.

63 During a debate on "reconciliation and nation building" in South Africa's National Assembly in May 1998, Thabo Mbeki, then South Africa's deputy president, made a speech that characterized the country as two nations, crashing the image of the Rainbow Nation, and is often referred to as the "two nations" speech.

to contribute to poverty reduction in the present and are thought to contribute about 47 per cent-89 per cent of GDP of the poor i.e. effective GDP or total source of livelihood of rural and forest-dwelling poor households. In national accounts agriculture, fisheries and forestry typically account for 6 per cent to 17 per cent of national GDP. Regulating services are approximately 67 per cent of economic value, while in conventional accounts, supply of food, timber, genetic or other materials typically accounts for a relatively small share of forest value, although these are the benefits on which perceptions of the economic importance of forests are often based.

The REDD-plus initiative could generate substantial revenues for conservation and sustainable use of forests. Human-induced deforestation accounts for 12 per cent of global greenhouse gas emissions. Avoiding deforestation, therefore, becomes an economically attractive option, due to the fact that it is among the cheapest ways of reducing emissions in terms of dollars per tonne of carbon and also because it secures further ecosystem and biodiversity benefits. The value can be captured in carbon credit exchange schemes.

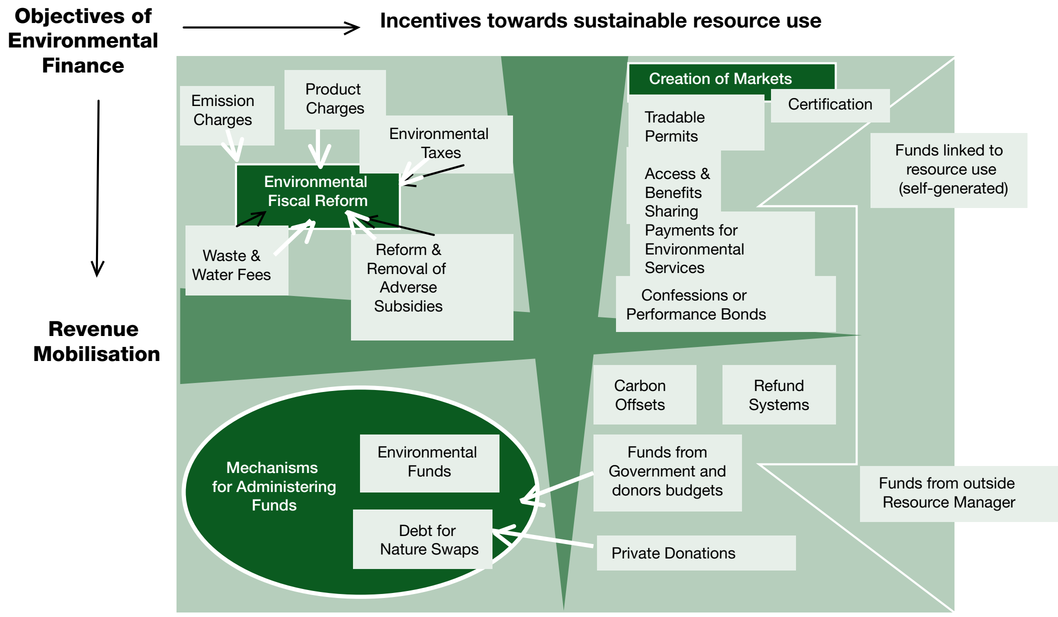
The Clean Development Mechanism (CDM), developed under Protocol 12 of Kyoto Protocol, is a mechanism for carbon trading that seeks a means to industrialize in a "green way". Carbon Credits are sold to entities in Annex-I countries, such as power utilities, who have emission-reduction targets to achieve and find it cheaper to buy "offsetting" certificates rather than do a clean-up in their backyard. Typical projects, which are being applied for CDM and which can be of valuable potential, are:

- Energy-efficiency projects;
- Transport;
- Methane recovery;
- Industrial process changes;
- Cogeneration;
- Agricultural sector.

7.3 Financing the green economy

The green economy is fundamentally financed via environmental fiscal reform (Figure 7.3).

Figure 7.3: Financing the green economy



Source: "Environmental Fiscal Reform in Developing, Emerging and Transition Economies: Progress & Prospects" Documentation of 2007 Special Workshop hosted by Federal Ministry of Economic Development & Co-operation and Development (BMZ) and GTZ

According to a lecture summary[64]: "The main purpose of ecological taxes is to motivate; they aim to alter behaviour. The associated revenues are reallocated through the fiscal system (reducing other taxes for individuals and firms).

"In contrast environmental charges' main goal is to generate revenue. They are linked to specific tasks such as waste disposal or water treatment. Charges can help reduce overall taxes, as these would have been used to finance these duties anyway.

"The main difference between environmental taxes and charges is the absence of counterparts for taxes (they are unrequited) and the presence of counterparts for charges (cost recovery).

"Two criteria are at the foundation of the EFR-matrix (environmental fiscal reform):

- The counterpart criterion

  The first criterion is "classic" according to the fiscal and economic tradition as it allows to define taxes and fees/charges. Taxes get levied without counterpart in the sense that they are compulsory payments to the government budget with no specific return to whoever pays the tax. Moreover, the tax is unrequited insofar as paying it does not give the tax payer the right to anything of similar value in return. Fees/charges allow counterparts in the sense that they are payments for specific services. They are compulsory but can be thought of as "cost recovery" mechanisms. Revenues of fees and charges, therefore, do not go to the government's general budget. The "counterpart criterion" sets the lines on the matrix.

64 Quotes are from lecture downloads linked to workshop "Economic Evaluation of the Environment Workshop was recently celebrated at the Princess Sumaya University for Technology (PSUT) in Jordan from 23-27 July 2006. The lectures are downloadable from http://www.ecosys.com/spec/ecosys/download/lectures/MESO per cent20PSUT_Lecture_5.pdf, accessed on 15 April 2012.

- The 'orientation' criterion

  With a fiscal orientation, taxes and fees/charges are supposed to raise constant revenues (taxes go to the government budget; fees/charges are earmarked). With an environmental orientation, in view of modifying ecological behaviour, taxes become ecological taxes (with no counterpart), and charges become ecological charges (as payments for specific environmental services). The "orientation" (or, target) criterion sets the columns on the matrix."

The instruments of environmental fiscal reform are:

(1) Taxes on natural-resource extraction;

(2) User charges or fees and subsidy reform;

(3) Environmentally related taxes;

(4) Payment for ecosystem services (including REDD-plus);

(5) New markets for sustainably produced goods and ecosystem services;

(6) Reinforcing rights over natural resources and liability for environmental damage.

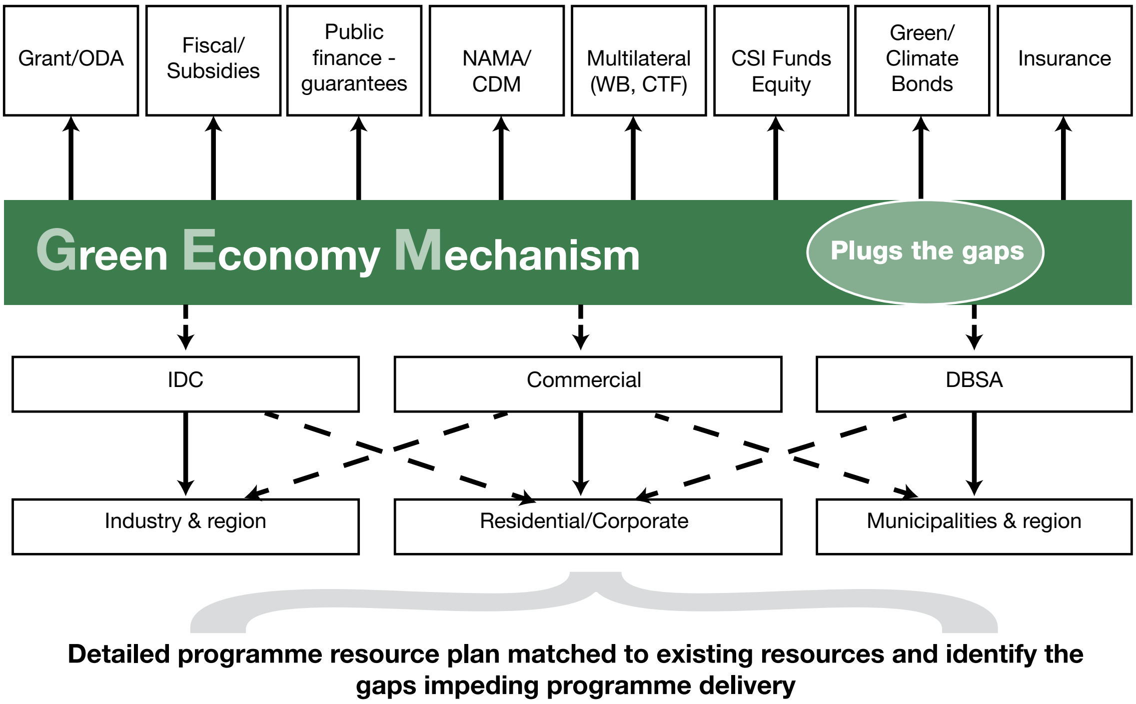
To prevent subsidy reform introducing distortion, resulting in inefficiency in resource allocation, the following factors must be taken into account:

- The price-responsiveness of the subsidised activity;
- The form of the subsidy;
- The conditions attached to the subsidy;
- How they interact with other policies.

A special case study of South Africa is given below to demonstrate the marriage between public and private sector to create a holistic framework for delivering the green economy. The principles herein are suggested as forming a blueprint for other green economy strategies for countries in the subregion:

Figure 7.4: Holistic framework for delivering the Green Economy

Figure 7.5: Proposed Green Economy Mechanism



Proposed resource windows for the green economy mechanism

Figure 7.6

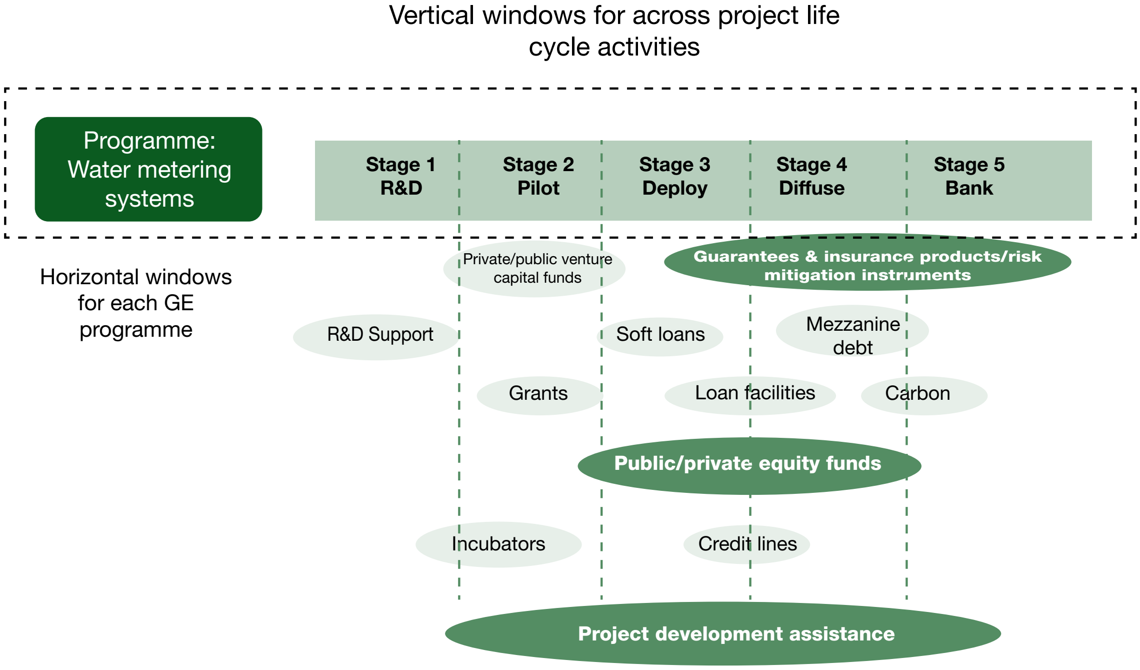
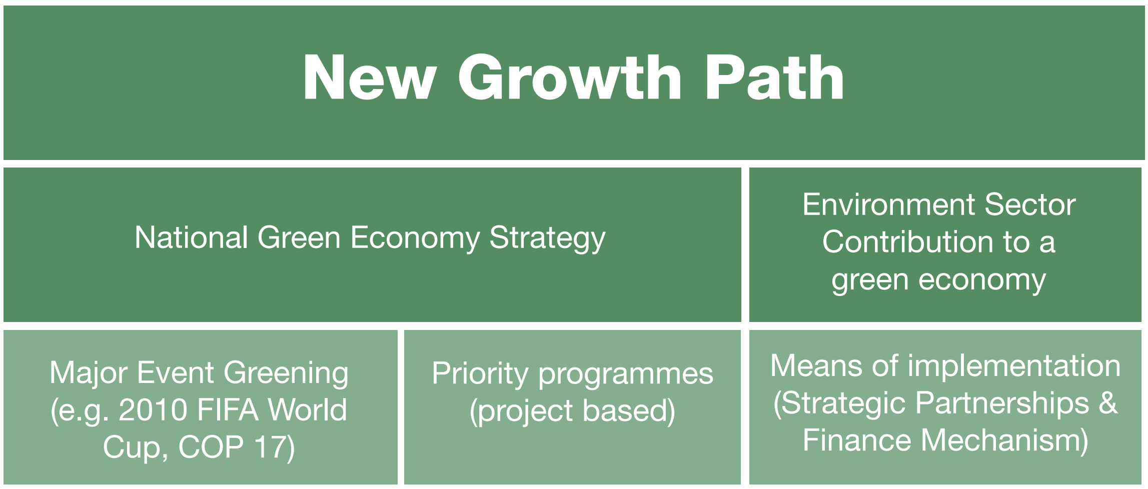


Figure 7.7: Bringing it all together



7.4 Conclusion

The "green economy" can be defined as one that results in improved in human well-being and social equity, while significantly reducing environmental risk and ecological scarcity. This is consistent with the traditional understanding of sustainable development. A green economy should therefore be the economy of sustainable development.

The fundamental question of how to decouple economic growth and poverty eradication from rising levels of natural resources use and waste per capita over time is answered using a systems approach to sustainability. This embeds the economic system in the socio-political systems, which in turn are embedded in the ecosystems and all underpinned by a governance system that holds all the systems together within a legitimate regulatory framework.

A new economic logic is required, which includes explicit recognition, efficient allocation, and fair distribution of the costs and benefits of conservation and sustainable use of natural resources. A tiered approach which recognises, demonstrates and captures value will incorporate ecosystem services into economic accounts.

Mechanisms are proposed through incentives and price signals including payment for ecosystems services, reforming environmental subsidies, tax breaks for conservation, new markets for sustainably produced goods and ecosystem services and reinforcing rights over natural resources and liability for environmental damage.

The GDP for the poor must be taken into account, in the context of the "two nations" characteristics of most countries in the subregion.

There is a need for the subregion to move away from donor dependency and look for innovative financing mechanisms for development, including the green economy.

A single metric is proposed for measuring the rate of poverty reduction per unit of per capita GDP per unit of ecological footprint reduction.

The green economy should be financed through environmental fiscal reform. However the green economy can also be piloted by mobilising grants and ODA for research and development and then by utilising revenue generated from taxing polluting activities.

In terms of policy process, there is a need for the subregion to grasp the long-term implications of "buying into" the green economy, before investments are made, given the subregion' s experience with previous economic models that have failed to reduce poverty.

8. New and emerging challenges

8.1 Introduction

The World Summit on Sustainable Development (WSSD) 2002 took place against the backdrop of increased globalisation, the advent of information and communication technologies and the HIV/AIDS pandemic (UNCSD, 2002). In addition, the 9/11 terrorist attack had just taken place in America, and the war on Iraq had started. The threats of terrorism had taken a new and heightened dimension globally. These factors continue to influence the global development trajectory.

Many new issues and challenges have emerged globally and regionally since the WSSD, such as the recent and projected financial, fuel and food crises. These present both opportunities for and constraints to the attainment of sustainable development. This section will highlight the new and emerging issues and challenges and their implications for sustainable development in the context of the Rio +20 process. It will also highlight some best practices, where relevant, in addressing new and emerging challenges.

The 2012 Rio+20 Summit will take place at a time when the world is facing a new set of challenges, the notably the global financial crisis, the food crisis, the energy (fuel) crisis and the fertiliser crises. These crises further intensify the impacts of climate change and each of these challenges has had implications for the Southern Africa region.

8.2 The challenges

8.2.1 Financial crisis

Most African countries continue to face financing constraints; shrinking trade, reduced foreign remittances and falls in foreign direct investment and aid flows. At an individual country level, the impacts were differentiated to some degree.

Zimbabwe: In the case of Zimbabwe, the Hon Vice-President Joice Mujuru highlighted the impacts[65]: "A combination of recurrent droughts, lack of access to financial resources, the HIV/AIDS pandemic and brain drain continue to slow down economic development in the country. The unavailability of financial resources has negatively affected access to agricultural inputs and social service delivery, in particular health, education, water and sanitation, by the majority of our people. As a result, poverty levels remain a challenge, a situation that is undermining the attainment of the internationally agreed goals including the Millennium Development Goals (MDGs). With the fluctuating prices of commodities and minerals, several mines have either seriously scaled down operations or closed down. On the other hand, lack of inflows and conditionalities imposed on my country have negatively affected a lot of companies in Zimbabwe. This has in turn led to decreased Government revenue collections, and limited capacity to achieve sustainable development.

65 Mujuru, J (2009).

Lesotho: World Bank Senior Country Economist Preeti Arora wrote[66] that the impact of the global financial crisis on Lesotho was of a different dimension, arising from two main factors, namely that Lesotho's vulnerability arises from "its huge dependence on textile exports to the US and on revenues from SACU (60 per cent of total revenues). Firstly, the USA is Lesotho's largest importer of its manufacturing exports (mainly textiles), and the recession lowered the aggregate demand by US consumers. Secondly, a slowdown in South Africa had a significant impact on remittances and SACU revenues. The recent large SACU transfers are in fact mostly due to growth in South African imports. Lower South African imports will therefore negatively affect Lesotho's revenue stream. Similarly, retrenchments in South Africa will lower workers' remittances towards Lesotho."

8.2.2 Climate change is a challenge, but also an opportunity.

Currently, Africa uses only 8 per cent of its renewable energy resources, compared to 30 per cent in Latin America. Investing in sustainable agriculture and clean technology can supply Africa with a new revenue source. Developing countries can shift to lower-carbon paths while promoting development and reducing poverty, but this depends on financial and technical assistance from high-income countries[67].

According to the UN MDG report: "Food prices spiked in 2008 and falling incomes, due to the financial crisis, further worsened the situation"[68]. The impacts of climate change are already being felt in the southern Africa subregion and are worsening already existing risks, such as water shortages, diseases, food-insecurity and destruction of livelihoods. These climate-change impacts, combined with other factors such as increasing poverty and inequality, pose huge threats to the development of the subregion. According to one study[69]: "The 2001-2003 drought in southern Africa had such a dramatic effect because HIV/AIDS had reduced labour availability and nutritional status, at the same time that cereal reserves had declined and market prices for maize increased. In Malawi, the combination of drought and HIV/AIDS has had a particularly strong impact on children. This conflation of stressors has led to what some have described as 'new variant famines' in the region."

8.3 Conclusion

All the challenges that were identified in the period leading up to the WSSD in 2002 still apply today. However, since then, there have been new and emerging challenges at the global scale, which have affected the subregion, and slowed it down in its efforts towards sustainable development. What is also important is that these challenges are interrelated in their causes, and impacts. It is therefore important that the subregion, and individual countries, build their resilience and capabilities in order to respond effectively to these challenges both in the short and long terms. Critical to this capability is the mobilisation of domestic resources, and building capacities to implement programmes that will lift the region out of deepening poverty and inequality, as well as the impacts of climate change. In this regard, there is a need for an integrated approach to addressing national, subregional and continental approaches, in the context of a globalised world.

66 Arora, P (2008).
67 World Development Report (2010).
68 UN (2010), page 11
69 Eriksen S, O'Brien K and Rosentrater L (2008).

9. Conclusions and recommendations on the way forward

(1) *Africa has demonstrated its commitment* to sustainable development in many ways. At the continental level, the first Nobel Prize on Environment was awarded to an African Woman, the late Prof. Wangari Maathai. The President of Mozambique, Armando Emílio Guebuza, received the Gift to the Earth award in July 2011, signed by the Director-General and President of WWF, in recognition of his government's efforts in promoting and increasing the areas where natural resources were conserved. South Africa is due to host the COP 17 meeting in December 2011. The Prime Minister of Mauritius has taken leadership in sustainable development matters by putting issues of sustainable development under his office. There is a company in Malawi called Bio-Energy Resource Limited (BERL) that is aiming to encourage commercial production of Jatropha trees, helping communities to earn income by selling trees and using oil and other products from the seeds. Botswana is building recycling capacity through public-private cooperation by incorporating poor people into the recycling business through buy-back centres, aiming to improve on the fact that of 6,000t/month of waste in Gaborone, for example, only 1.35 per cent is recycled. RECs are also implementing initiatives aimed at ensuring sustainable development and the attainment of MDGs;

(2) *National progress:* Countries have been implementing sustainable development individually and have seen success in various areas, such as in progress towards attaining some of the MDGs. There is need to build upon national progress through baseline studies to show what has worked and not, then tailored programmes and projects for replication of successes throughout the subregion;

(3) *Multi-stakeholder participation*: This is critical to the implementation of sustainable development programmes. Member States have endeavoured to open spaces for multi-stakeholder participation but more needs to be done to move from inclusion in policy-making to actual implementation and budgetary inputs. Communities have indigenous knowledge and practices which they have been using for decades to sustain themselves. These need to be modernised and reflected in the current sustainable development discourse, and also contribute to the global agenda. In this regard, national consultations should always be used to inform subregional consultations, because it is at the national level, through local-level consultations, that the true subregional picture on progress towards sustainable development emerges. There was a proposal for the establishment of a high-level multi-stakeholder mechanism whose purpose would be to provide an impetus for efforts for sustainable development in the subregions and at national levels;

(4) *Gaps between policy and implementation:* There is recognition of the efforts made to develop policies and strategies. However, there is concern that these policies and strategies remain largely unimplemented. There is a need to identify and address the fundamental bottlenecks to implementation. These bottlenecks go beyond hard and tangible constraints, such as financial and human resources, and encompass soft issues including leadership, political commitment, vision and agenda-setting. There is also a need to address the level of societal consciousness on sustainable development so that it becomes a way of life for all the people, rather than just a subject that people learn about at school or something government officials do as part of their work;

(5) *Coordination:* Regional and subregional institutions for sustainable development are

not well coordinated and lack capacity and resources to fulfil their mandates. There is a need for: better flow of information and communication; integrated planning and implementation; and effective use of existing resources between and among national, subregional and continental institutions, which have the responsibility of implementing sustainable development programmes. In this regard, note should be taken of the need to have the UN system at all levels (national, subregional, and continental) to work in a coordinated manner and in the context of regional priorities. The capacities are required at each level and their configurations need to be determined and addressed in a systematic and systemic way, with long-term progress as the object;

(6) *Similar strategies but reduce duplication:* At the subregional and regional levels, all institutions for development should have similar strategies and capacity for the strategic coordination and guidance of the institutions in sustainable development. There should be inherent broad coordination mechanisms for sustainable development within and among all regional organisations, in order to reduce sectoral duplication and fragmented progress. This would include a mechanism for coordination of sustainable development among the regional and subregional development agencies (including those linked to structures such as SADC, COMESA, SACU, the AU and the UN organizations) through having their own internal agents tasked with management of their efforts towards sustainable development;

(7) *Green economy:* there is a need for the subregion to create space to further explore the concepts linked to green economy and their long-term implications on long-term plans for poverty eradication. In addition, the green economy cannot be discussed in isolation from the ongoing debates on climate change, mitigation and adaptation, including impacts on economic growth and poverty alleviation. While the green economy may be beneficial to the subregion in the long-term, there is a need to be cautious of the persistent introduction of external concepts, which may distract the subregion from the path on which it has set itself as the route to attain sustainable development. The green economy can therefore be relevant only in so far as it addresses the economics of sustainable development. At the moment, the subregion does not have the luxury of theorising on new concepts. Focus should be on implementation of existing frameworks as espoused in Agenda 21 and domesticated by countries. The green economy should not be allowed to stifle the subregional economic trajectory and progress. The question should be how to scale up implementation of sustainable development initiatives. Other points to note are:

- Public-sector funding, including through carbon taxes and user charges, could be considered to raise revenue to finance greening activities, including the use of subsidies to direct pricing and provides incentives for "green" activity;
- Private-sector funding mechanisms have not been properly identified in the subregion. Nedbank Capital in South Africa has capacity in green financing, but Nedbank in Swaziland does not demonstrate the same capability;
- Distinguish global vs local issues: It is important to distinguish global green issues, such as climate change and ozone depletion, from local green issues, such as water scarcity in Botswana, which is being combated by adaptation, irrigation and drought-resistant crops. MDGs have clearly shown that you cannot implement the same activity in different peoples, contexts and countries and expect the same outcome.

(8) *Other implications of the green economy:* It is important to unpack questions of land

tenure, for example, and understand that the green economy has very strong political considerations that are not necessarily environmental;

(9) *Interrogate local value*: It is important that the subregion does not just adopt issues and approaches from the West without interrogating how they are of value locally, and they should do this especially if they do not have financial support. Lessons can be drawn from experiences in other regions. The subregion should reject global definitions of green economy issues and rather draw on best practice, such as the MDGs, which allow sovereign flexibility in definition individual goals and targets. The subregion should use definitions on the green economy that are relevant to Africa's circumstances with African- peer to peer accountability. We should not have certain industries not permitted because of global rules;

(10) *Sweeping definitions*: Africa should accept the concept of transition to a green economy as a more specific programme for implementation of sustainable development, but must not accept broad sweeping definitions of a "green economy" that would determine policy direction, until the policy implications of these definitions are investigated and clarified in the context of each country;

(11) *Define "green products"*: The subregion should be able to define "green products" for itself and sequence how it mainstreams green products, based on the realities of its experiences;

(12) *National sustainable development strategies*: Each country should develop a national sustainable development strategy, linked to monitoring capacities and/or mechanisms and should include scheduled time-bound reviews and budgeting and reporting. These can be harmonised through subregional and regional strategies, in order to create coherence in implementation, reporting, monitoring and evaluation;

(13) *Technology transfer*: There is a need to develop harmonised technology transfer policies that regulate the import of redundant technologies from overseas. If this is not done, the subregion will remain burdened by old technologies while the rest of the world is progressing;

(14) *Technological innovation*: There is a need for the subregion to take advantage of information and communication technologies for development. The M-PESA innovation is an example and demonstrates that, given an enabling environment, Africa can use technology to fast-track the attainment of its targets. It also demonstrates that Africa has the potential and capability to contribute to global technological innovations, rather than to be a dumping ground of old technologies;

(15) *Benchmarking, monitoring and evaluation*: In order for the subregion to be able to effectively monitor and evaluate its progress towards sustainable development, there is a need to develop benchmarks and a common baseline, against which progress can be measured over a long time. This is in addition to developing a subregional common standard of measurement, including standards of what constitutes a sustainable programme. An effective monitoring and evaluation mechanism will be needed to support this;

(16) *Regular monitoring and evaluation at different levels*: The monitoring and evaluation of progress towards sustainable development should be linked to the monitoring and evaluation of national and subregional development plans, as well as to reporting, accountability and transparency. The reporting should not just be linked to the 10-year intervals of UN and world sustainable development summits an voluntary reporting, but should be a way for countries and the subregion to assess themselves and have national and subregional conversations and/or dialogue about how best to attain the

set international targets, particularly those of the targets which have been domesticated. There is a need to move to continuous monitoring and reporting on country efforts for sustainable development, including through data and information institutions. A possibility is that the APRM could be strengthened in order to be guided by the principles of sustainable development and poverty reduction, thereby "greening" its agenda;

(17) *Innovative financing mechanisms*: There subregion and its Member States cannot continue to rely on external funding for its development. Therefore there is a need to develop innovative mechanisms to mobilise domestic resources and financing. These can be fundamentally based on the value addition of the subregion's natural resources, as well as its people. It is critical to strengthen current mechanisms for collecting taxes. There are also proposals to charge carbon tax for development, in the context of sustainability. There is also a need to utilise existing but limited resources effectively. Linked to this is an important element of economic diversification;

(18) *Understand donor agendas:* Related to the above, it is important to understand donor agendas in funding sustainable development initiatives and to ensure that subregional countries are not setting themselves up for long-term disadvantage in bilateral or multilateral relations, for instance if they receive donor assistance that is tied to procuring goods and services from the donor country;

(19) *Integrated approach to sustainable development*: An integrated approach to sustainable development is needed, whereby Member States and the subregion have one common reference point for their respective efforts. Currently Member States and the subregion have to satisfy too many frameworks and this results in poor allocation of scarce resources and capacities. It also negatively affects the manner in which countries monitor and evaluate their progress towards sustainable development. Hence the need for one metric to measure sustainable development. The subregion needs to have focused priorities for its development;

(20) *Information, experience and data generation and sharing:* Governments should make information available, where it exists, and generate new data on sustainable development. Countries can also share best practices, experiences and capacities across the subregion. For example, Mauritius's capacity development on management of natural disaster such as cyclones can be adapted to other countries' unique situations, including floods, droughts and other disasters;

(21) *Governance:* The Mo Ibrahim Index has concluded that Mauritius is the best governed country on the continent. In addition, five out of the top ten best governed countries in Africa are from the subregion. The APRM should look at local and regional scientific assessments which are very specific to the region.

(22) *Competitiveness:* The Global Competitiveness Report has judged South Africa as the most competitive country in Africa, with Botswana and Mauritius following closely. These efforts bode well for the subregion, and should be sustained and replicated across southern Africa;

(23) *Global Targets:* Some global targets are prohibitive for Africa. For example if Western countries decide to implement stringent standards for new cars (for instance the Euro 5 standard limits CO_2 emissions to 500 mg/km for diesel and 1,000 mg/km for petrol and Euro 6 will reduce that by more than 50 per cent), Southern African countries should not aim to follow this metric because the subregion cannot afford electric cars (which

are subsidized in the West);

(24) *Trade regimes*: There is a need to place very strong emphasis on trade agreements and their assessment in order to ensure that there are no hidden pitfalls. For example, China is known to ask for first right of refusal on mineral assets, which is effective control of those assets, in return for support. Meanwhile, African companies hoping to do business in China need a joint venture with a Chinese company and application for a licence per product and per region. It is a very imbalanced trade regime.

(25) *Gender and cultural mainstreaming:* The mainstreaming of gender into the analysis and understanding and measuring how the genders are affected differently are critical to sustainable development and should be given priority. Botswana and Malawi have placed a great deal of emphasis on MDGs 3, 5 and 6 and these are key considerations for economic advancement. Cultural considerations need to be given attention, for example in the Kingdom of Swaziland it is considered a socio-political stigma to be associated with civil society and so there is no advocacy and action by civil society for sustainable development.

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Annex 1: Development contexts by country

Introduction

While the subregional analysis helps in presenting a regional picture, it is important also to look at the development context and dynamics of each individual country in order to ascertain how national development efforts contribute to the subregional picture. Good practices can be identified at the national level for amplification in other countries of the subregion. The following section briefly outlines the development context of the individual Member States. Most of the country information was obtained from each country's MDGs reports.

Angola

It gained independence from Portugal in 1975, after which a civil war immediately broke out. In 1989, the ruling MPLA established a transition to a multiparty democracy. Angola is the largest oil-producing country in sub-Saharan Africa yet its people are some of the poorest. After the end of the 27-year civil war, the government emphasized the eradication of hunger and poverty as the basis for economic and social reconstruction. They also prioritized building capacity at state institutions and ensuring sound administration of the State and management of justice. Efforts have been made to expand the country's international relationships and to diversify its economic partnerships, particularly with South Africa, China, Brazil and Israel.

By 1990 Angola adopted the basics of a multi-party system and a market-oriented economy and instituted political and economic liberalisation, in line with international trends. Since then Angola, with the support of its development partners, has implemented reforms to its public administration, focusing on institutional reform and upgrading the administration, aiming at decentralization and reducing bureaucracy. The first free elections took place in 1992. In 1998, another civil war broke out and ended in 2002. Some of the developments since then have been in stabilisation and development of the financial system and building the foundation for future reforms and changes[70].

Botswana

When Botswana became independent in 1966, it was one of the poorest countries in Africa. In the four decades following independence, remarkable progress has been made, thanks to the discovery and effective management of mineral wealth, good governance and policies, and accelerated investment in the provision of basic services. In 1997, following a long process of consultation with a broad range of stakeholders, the Government of Botswana finalized the *Long-Term Vision for Botswana: Towards Prosperity for All*, known as "Vision 2016". It follows the five national principles of democracy, development, unity, self-reliance and "botho" (a Setswana word which translates as "humaneness"). Vision 2016 calls upon all citizens of Botswana to embrace and manage the process of change in accordance with the following pillars:

- An educated, and informed nation;
- A prosperous, productive and innovative nation;

70 Neto A., and Jamba, I. (2006).

- A compassionate, just and caring nation;
- A safe and secure nation;
- An open, democratic and accountable nation;
- A moral and tolerant nation;
- A united and proud nation.

"Vision 2016" articulates Botswana's long-term development aspirations and provides a broad framework for development. The development process is guided by six-year national development plans (NDPs). The NDPs are guided by Vision 2016 and, since the year 2000, by the MDGs. Botswana is also an exemplary nation in Southern Africa for the way it has managed to capture the concept of wealth-sharing across the nation. Wealth accumulated from the sales of diamonds is distributed even in remote towns or villages through clinics, roads, schools and other local government services. Government provides free education and medical services. Learners are also accorded a chance to attend institutions of higher learning outside the country at the expense of the Government.

Malawi

Historically, Malawi was a source of cheap migrant labour to other Southern African countries, such as South Africa and Rhodesia (now Zimbabwe). Its other economic activity was agriculture, with minimum exports. After independence in 1964, efforts were made to modernize agriculture, which became the economic mainstay. The policy was for a mixed economy. Parastatals were developed in key sectors, and transport and communications were improved, including the roads and railways. Real GDP rose by 5 per cent annually during the period 1969-1973 and by 6 per cent annually during the period 1973-1979. Between 1980 and 1994, the economy experienced a decline due to drought, deteriorating terms of trade, disruption of the country's external transport routes due to civil war in Mozambique, as well as decline in public investments and the oil crisis of 1979. The country thereafter adopted structural adjustment programmes on the advice of the World Bank.

After 1993, efforts were made to develop the commercial sector and to prioritize poverty alleviation. Economic reforms were implemented, including trade liberalisation and privatization and programmes were advocated to boost agriculture, irrigation and drought mitigation including promoting non-maize food crops. Economic diversification was encouraged both by widening the range of agricultural products and by promoting industrial development. Universal primary education was introduced in 1994 and a social action fund was established. Numerous poverty-reduction strategies were adopted, such as the Vision 2020 document (1998), the Malawi Poverty Reduction Strategy Paper (2002), the Malawi Economic Policy Framework Paper and the MDGs. However, from 1994 to around 2000, there was poor economic growth and frequent macroeconomic instability.

The economy started improving after 2004, and food security has improved substantially. Malawi has been rated as the second fastest-growing economy in Southern Africa. In August 2006 Malawi reached the completion point under the Highly Indebted Poor Countries (HIPC) initiative, which resulted in debt relief from the multilateral and Paris Club Creditors, who wrote off $2 billion (about K280 billion).This enabled the government to increase expenditures for development and it has embarked on initiatives such as renovating old and run-down secondary schools and constructing roads, bridges and Shire Zambezi Water Way Project, which will ease the transportation of goods and other exports and bring good economic value[71] when it is completed.

Malawi's Growth and Development Strategy 2006-2011 (MGDS) is the centrepiece for its approach to integrated development. In relation to the MDGs, the country is making progress in the areas of reducing extreme poverty, infant mortality, combating HIV and AIDS, malaria and other diseases, ensuring environmental sustainability and developing global partnerships for development. Challenges remain in the attainment of universal primary education, reducing gender inequality and maternal mortality (Malawi MDG Report, 2010).

Mauritius

Mauritius gained independence in 1968. Before settlers came to Mauritius, the island was a stopover for traders on the route to and from India and the Far East. In the middle of the 18th century, when Mauritius was a French colony, the cultivation of sugarcane and timber was initiated and the island became a busy port. Mauritius remained a monocrop economy, based on sugarcane, until after independence but in the early 1970s it launched an export-oriented industrialisation process. The export-processing zone (EPZ) scheme was designed to encourage the setting up of labour-intensive export-oriented manufacturing enterprises to reduced the growing problem of unemployment and to open the economy further and benefit from preferential access to the European markets under the Lomé Convention. The EPZ sector was launched with start-up capital from the sugar sector and has concentrated mostly on textile and textile-related products. For the last two decades foreign investment in the EPZ sector has been mainly from Hong Kong, France, UK and Germany and has played a pivotal role in the rapid structural transformation of the Mauritian economy. FDI has been an important engine of export growth, domestic capital formation, technology transfer and employment creation. The package of investment incentives for the sectors of manufacturing and support services has been enhanced and extended to promote technology-driven and higher value-added activities.

The manufacturing sector established a sound and solid base for sustainable economic development in Mauritius in 1970s-1980s, but at the same time the tourism sector started to become a serious pillar of the economy by contributing increasingly to the country's foreign-exchange earnings and by being an important generator of employment. A range of investment incentives were provided to boost the development of the tourism sector, including fiscal incentives and financial support for hotel development and management services. Therefore three main economic sectors - sugar, textile products and tourism- powered the strategy of labour-intensive, export-oriented growth.

The economic history of Mauritius reflects distinct phases of evolution. Throughout its economic development, the island has witnessed a relentless struggle against the inherent constraints of small-island economies, resulting in the need to adopt an outward-looking strategy[72].

71 Madise, M.K (2009).
72 http://library.thinkquest.org/C0110237/Economy_/Economic_History/economic_history.html

Mozambique

Mozambique gained independence from Portuguese colonial rule in 1975. It inherited a poorly educated populace and poor infrastructure. To make matters worse, there were successive periods of destruction, caused by the 10-year war for independence and, immediately after that, 16 years of armed conflict. At the end of the civil war, Mozambique was considered the poorest country in the world, with an external debt of almost 200 per cent of its GDP (according to World Bank data), a level of poverty above 80 per cent and inflation of almost 50 per cent a year.

The government partnered with the international community to focus on uninterrupted economic, social and political development. Soon the economy was achieving double-digit growth, with one of the highest economic growth rates in Southern Africa; external debt was reduced to below 35 per cent of GDP; poverty was reduced by more than 15 per cent; and inflation was kept below 10 per cent. These advances were achieved even though the country had faced serious crises of flood and drought, as well as the global economic crises. These successes reflect the country's political commitment as it embraced the democratic multi-party system less than two decades ago and yet it is one of the most politically stable countries of the region. Since the end of the armed conflict in 1992, the country has already held four general presidential and parliamentary elections, two municipal elections and one provincial assembly election. All these elections occurred in a climate of peace and tranquillity.

The Government of Mozambique's guiding priorities are economic development and tackling poverty, and it has demonstrated serious commitment to achieving the millennium targets. Notwithstanding the governmental commitment and the relative economic success, Mozambique still faces important challenges. It is still one of the poorest countries in the world, and was ranked 172 out of 182 countries in the UN Human Development Index ranking in 2009; more than half of its population live below the poverty line; Mozambicans are vulnerable to drought and floods (according to international disaster data, Mozambique suffers from 0.31 droughts and 0.62 floods per year); more than 40 per cent of the State budget still depends on external assistance and the State has little financial capability; the HIV/AIDS epidemic continues to be a threat to development; and there is much to be done to rehabilitate rural infrastructures rehabilitation; among other challenges. Main challenges are: child mortality, the HIV/AIDS pandemic, vulnerability to the effects of climate change and the relative weakness of the national infrastructure.

In coming years, Mozambique will need to double its efforts to sustain and build on the successes achieved so far, as well as the challenges of the future. In spite of the recent global financial, the energy and the food crises and the threats resulting from the effects of climate change, Mozambique continued to have relatively strong economic growth and a robust macroeconomic structure. GDP has grown by more than 6.5 per cent in each of the last five years, inflation reached its level lowest of the decade at 3.75 per cent in 2009, and the State reached an important milestone on the road to financial autonomy when, for the first time in recent history, more than half of the budget was financed by the country's own funds.

Namibia

Namibia covers 824,000 km^2 with a population of around 2 million. It attained independence in 1990. Two-thirds of the population lives in rural areas. Apart from the northern regions, which benefit from perennial rivers, the rest of the country has an arid climate which permits cautiously managed cattle ranching but little rain-fed agriculture. Namibia is blessed with a wealth of mineral resources, comprising diamonds, uranium, copper, zinc and gold. The cold Benguela current on Namibia's Atlantic shore supports rich marine resources, although stocks vary from year to year.

Namibia's developmental aspirations are explicitly formulated in the national long-term plan Vision 2030, which guides all development policy decisions. Five-year national development plans are the framework for implementation.

Education is a cornerstone of development policy and about 25 per cent of the budget is allocated to this. Namibia's development challenges, like those of other Member States in the subregion, include poverty of large sections of society, natural disasters such as floods and drought, the HIV/AIDS epidemic, quality education for all and exposure to the forces of globalisation, with fluctuating prices for raw materials and rising food and fuel prices. Attempts are being made to correct the highly uneven distribution of land, which originates from before independence, through a relatively moderate approach of land reform which follows the principle of "willing buyer, willing seller".

For several years now the country has embarked on a programme of decentralisation, intended to strengthen the decision-making power of regional and local authorities. Providing a social safety-net is a policy priority. Government provides a monthly social pension to all residents who are over 60 years old and a social grant to all vulnerable children. Targeted food aid is provided to schools and orphanages. Government also distributes food to those affected by natural catastrophes.

Namibia pursues sound macroeconomic policies and has a past record of stable economic growth rates. The foreign public debt stock of 5.4 per cent of GDP is relatively low by international standards. According to the UN classification, Namibia is a "middle income" country with per capita GDP of around US$3,000. This classification is however simplistic and misleading, because income and wealth are very unevenly distributed in Namibia. A sizable proportion (28 per cent) of the population is poor and about 4 per cent are severely poor. At the same time, a segment of the society is very wealthy, even by international standards. The consumption of the richest 10 per cent of households is more than 20 times higher than that of the poorest 10 per cent.

South Africa

When South Africa became democratic in 1994 its main challenges were poverty, inequality and the restoration of dignity. The South African Constitution provided for a rights-based society and the rule of law. Numerous policies were developed to address poverty and inequality and to improve the quality of lives of the people. This has called for a fundamental shift of the social and economic fabric of the previous dispensation (including apartheid), in order to create an equal, non-racial and non-sexist society. Successive governments since 1994 have sought to build on the incremental successes of previous ones.

At a policy level, the Medium-Term Strategic Framework (MTSF, 2009–2014) is a statement of government intent. The MTSF identifies the development challenges facing South Africa, outlines the medium-term strategy for improving the living conditions of South Africans, and is meant to guide planning and resource allocation across all spheres of government. The imperatives of the MTSF are taken into account when national and provincial departments develop their five-year strategic plans and budget requirements. Municipalities are also informed by the MTSF and their 2006 mandates and expected to adapt their integrated development plans in line with national medium-term priorities.

Swaziland

The Kingdom of Swaziland is a small land-locked country. Major exports include sugar, wood and soft-drink concentrates. In 2005, Swaziland adopted a new Constitution. The country is classified as a low-middle income country, even though it continues to face challenges similar to low-income countries. The Swazi economy performed well in the 1980s, attracting large inflows of FDI. Apartheid in South Africa and conflict in Mozambique gave Swaziland a regional advantage. Economic growth was high and the country boasted impressive human development indicators. However, the country has witnessed a reversal of fortunes in the past decade, including a reversal of development trends. For example, its 2010 Human Development Index is lower than that of 1995.

Changes in the international trade regimes and phasing out of preferential trade arrangements have worsened the country's situation. More recently, the country has been affected by the global economic and financial crisis, which resulted in the closure of some paper mills such as that owned by SAPPI.

The country would need 5 per cent annual growth for it to meet poverty-reduction targets. Unemployment, especially among the youth, also presents a big challenge. HIV/AIDS has been a compounding factor. High levels of poverty, inequality, tuberculosis, food insecurity and environmental shocks as well as over-reliance on food aid, and lack of access to productive assets such as land are some of the challenges the country is facing, making it very difficult to achieve the MDGs.

Zambia

Zambia attained independence in 1964. Zambia's development challenges arise from the deterioration in economic and social conditions after many years of decline in the copper price and overall economic stagnation that started in the mid-1970s. In addition HIV/AIDS, caused shock reductions in life-expectancy rates in the 1980s and 1990s to about 52 years. This was made worse because the government adopted wrong policies such as structural adjustment loans, nationalization and then privatization. Zambia's human development index was very weak at the time of the adoption of the MDGs in 2000, but improvements have been made ever since, particularly in the areas of reducing child malnutrition and increasing access to education. Notable progress has been recorded in reducing infant mortality, although much still remains to be done. Challenges still remain in the areas of reducing poverty, women's participation in decision-making, and improving maternal health and environmental protection. The Government of Zambia recognizes the importance of sustained and robust economic growth in combination with macroeconomic and structural policies that promote job creation, economic inclusion, social empowerment and significant levels of investment in health and education.

Zimbabwe

Zimbabwe attained independence in 1980. Since then, it has experienced three economic phases, namely:

- The post-independent era of 1980–90, where the country experienced economic growth, which peaked at 7 per cent in 1990
- The period 1990–2000 saw the implementation of the structural adjustment programme (ESAP) which, together with recurrent droughts, resulted in a decline in GDP. The introduction of cost-sharing measures in education and health had dire consequences for the poor and reversed earlier gains in these sectors. ESAP was replaced by the Zimbabwe Programme for Economic and Social Transformation (1996-2001).
- The crisis period of 2000–2008 saw the onset of the land-reform programme and decline in the output of the commercial farming sector, in exports and in inputs for the manufacturing sector, together with a growing budget deficit and severe foreign exchange shortages. This led to GDP growth shrinking from 0.0 per cent in 1998 to -7.4 per cent in 2000 and subsequently -10.4 per cent in 2003. Zimbabwe's economy suffered extended decline, with GDP shrinking by an estimated 40 per cent between 2000 and 2007. Extremely high levels of inflation ensued, with profoundly negative consequences for development and the reduction of poverty.

One of the effects of the land reform programme was the introduction of sanctions by some western countries and the withdrawal of funding by the Bretton Woods institutions. The declining economy also caused the large numbers of both skilled and unskilled labour to migration out of the country, further compromising capacity. This situation was further compounded by the global crises, shocks and vulnerabilities, especially during the period 2007–2008. Price rises for imported food and fuel, the global recession and climate change have all impacted on the country's development prospects generally, and specifically on its progress towards achieving the MDGs.

The formation of the Government of National Unity (GNU) in February 2009 presents an opportunity. The Government has introduced a Short-Term Emergency Recovery Programme (STERP) and adoption a multi-currency system, which eliminated hyperinflation. These positive economic developments are still to translate into significantly improved levels of employment.

Each country has a unique political and developmental history, which has significant influence on the development dynamics nationally. In addition, individual countries have different natural resources, which affect their efforts towards sustainable development and the way they respond to HIV/AIDS, climate change and the global financial crisis. All these factors need to be taken into account when analysing the capability of individual countries to achieve sustainable development targets, as well as contributing to the development efforts of the subregion as a whole.