



## Revised Country Self-Assessment Questionnaire for the African Peer Review Mechanism

The APRM **Foundation Documents** may be found at [www.aprm-international.org](http://www.aprm-international.org) or can be obtained from the APRM Secretariat, P.O. Box 1234, Midrand 1685, South Africa or c/o DBSA, 1458 Lever Road, Halfway House, South Africa (telephone + 27 11 256-3401, facsimile +27 11 256-3456).

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The purpose of the Questionnaire is two-fold. Firstly, to provide participating countries with a format that can serve as a checklist to determine whether the various stakeholders participating in the process have responded to their concerns. Secondly, as a convenient summary to provide an overview of the results of their own self-assessment processes.

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## ABBREVIATIONS AND ACRONYMS

ACHPR	African Commission on Human and Peoples' Rights
ADB	African Development Bank
APR Forum	The Committee of Heads of State and Government Participating in the African Peer Review Mechanism
APR Panel	The Panel of Eminent Africans appointed by the Heads of State to provide leadership for the APRM
APR Secretariat	The Secretariat providing technical and logistical support to the APR Forum and Panel
APR Team	A carefully designed integrated, balanced, technically competent and professional team comprised to undertake country reviews
APRM	African Peer Review Mechanism
AU	African Union
BSSSED	Broad-based and Sustainable Socio-economic Development
CBOs	Community-based organisations
CEDAW	Convention on the Elimination of Discrimination Against Women
CENEAP	National Centre for Population and Development studies and Analyses
CSSDCA	Conference on Security, Stability, Development and Cooperation in Africa
ECOSOC	Economic, Social and Cultural Council of the African Union
GDP	Gross Domestic Product
GNP	Gross National Product
HIPC	Highly Indebted Poor Country
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
ICT	Information and Communications Technology
IDA	International Development Association
IDG	International Development Goal
ILO	International Labour Organisation
IMF	International Monetary Fund
ISO	International Standards Organisation
MAE	Ministry of Foreign Affairs (Algeria)
MDG	Millennium Development Goals
NEPAD	New Partnership for Africa's Development

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NGOs	Non-governmental Organisations
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
PSC	Peace and Security Council
SME	Small and Medium Enterprise
UN	United Nations
UNECA	United Nations Economic Commission for Africa
WHO	World Health Organisation
WSSD	World Summit on Sustainable Development
WTO	World Trade Organisation

*Note: The above list is not exhaustive, additional terms and definitions are also provided throughout the document. Should clarity be required on any term or definition, please contact the APR Secretariat (see details on the front cover).*

## GLOSSARY OF TERMS

<p><b><i>Access- Accessibility</i></b></p>	<p>Accessibility is the aptitude of a road or rail network or any other transport network generally evaluated in time of travel or measured in distance to be covered to reach public equipment, an employment pool, arrive at the city centre, obtain a proximity service (trade, leisure, public services, social network). It is presently considered as a good accessibility if one can have access to a daily service within a period of less than 20 minutes and a weekly service within a period of less than one hour.</p> <p>On the other hand, inaccessibility is considered as the impossibility to obtain a service within a socially-acceptable time frame; it is the synonym of isolation, relegation, exclusion.</p> <p><b>Accessibility</b> comprises four dimensions that mutually overlap:</p> <ul style="list-style-type: none"> <li>- non-discrimination,</li> <li>- physical accessibility,</li> <li>- economic accessibility (affordability),</li> <li>- accessibility of information.</li> </ul>
<p><b><i>Accession</i></b></p>	<p>Accession is the act whereby a state accepts the offer or the opportunity to become a party to a treaty already negotiated and signed by other states. Accession usually occurs after the treaty has entered into force. The Secretary-General of the United Nations, in his function as depositary, has also accepted accessions to some conventions before their entry into force. The conditions under which accession may occur and the procedure involved depend on the provisions of the treaty. A treaty might provide for the accession of all other states or for a limited and defined number of states. In the absence of such a provision, accession can only occur where the negotiating states were agreed or subsequently agree on it in the case of the state in question.</p>
<p><b><i>Accountability</i></b></p>	<p>The ability to determine who in the government is responsible for a decision or action and the ability to ensure that officials in government are answerable for their actions.</p>
<p><b><i>Adoption</i></b></p>	<p>Adoption is the formal act by which the form and content of a proposed treaty text are established. As a general rule, the adoption of the text of a treaty takes place through the expression of the consent of the states participating in the treaty-making process. Treaties that are negotiated within an international organization will usually be adopted by a resolution of a representative organ of the organization whose membership more or less corresponds to the potential participation in the treaty in question. A treaty can also be adopted by an international conference which has specifically been convened for setting up the treaty, by a vote of two thirds of the states present and voting, unless, by the same majority, they have decided to apply a different rule.</p>
<p><b><i>Capacities</i></b></p>	<p>Range of resources (financial and human, technical, administrative, social, economic and scientific) put in place for achieving a determined objective.</p>

<p><b><i>Capacity building</i></b></p>	<p>Process through which individuals, groups, organizations, institutions and countries develop their aptitudes, individually and collectively, with a view to performing functions, resolving problems and achieving objectives.</p> <p>Principles 9, 10 and 11 of the Rio de Janeiro Declaration (1992) stipulate that capacity building is part of sustainable development strategies. It involves strengthening the human resources (training, information, education, exchange of scientific and technical knowledge, cooperation), enhancing the efficiency of technological resources, technology transfer) optimizing management systems (legislative, environmental standards, institutions), enhancing the eco-efficiency of economic instruments (equitable trade, internalization of costs of environmental protection).</p>
<p><b><i>Capital formation</i></b></p>	<p>Creation of new capital or the expansion of existing capital, during a fiscal period, normally financed by savings. This includes transfer of savings from individuals or households to the business sector; directly through investments or indirectly through bank deposits; transfer of savings from households and government to the business sector, resulting in increased output and economic expansion.</p>
<p><b><i>Children</i></b></p>	<p>Any person below the age of 18 years.</p>
<p><b><i>Civil Society</i></b></p>	<p>All organizations, networks, and associations between the level of the family and the level of the state, excluding enterprises that exist to pursue private profit, per Zadek (2004) in the Secretary-General's Panel of Eminent Persons on UN-Civil Society Relationships. CSOs include but are not limited to the following: Social groups such as those representing women, children, the youth, the elderly and people with disability and special needs; Professional groups such as associations of artists, engineers, health practitioners, social workers, media, teachers, sport associations, legal professionals, social scientists, academia, business organizations, national chambers of commerce, workers, employers, industry and agriculture as well as other private sector interest groups; Non-governmental organizations (NGOs), community-based organizations (CBOs) and voluntary organizations, and; Cultural organizations.</p>
<p><b><i>Climate change</i></b></p>	<p>By climate change we mean changes in the climate attributable directly or indirectly to a human activity resulting in a change in the composition of the global atmosphere and which adds to the natural variation of the climate observed during comparable periods.</p>

<b><i>Corruption</i></b>	The use and misuse of public office, position or resources for personal gain or for purposes for which the office, position or resources were not designed. Corruption may involve the following Bribery (taking/demanding and giving/offering), influence-peddling, nepotism, embezzlement and conflict of interests)
<b><i>Decentralization</i></b>	Transfer of power and/or responsibility, concerning the accomplishment of a task, from the general management of an organization or the central department of an institution to lower levels or to the private sector.
<b><i>Economic diversification</i></b>	Increasing the number of sectors in the economy and reducing the economy's reliance/dependence on a single or limited number of productive sectors, commodities or markets. It also means the development of internal linkages among existing sectors to complement each other and reduce imbalances in the economy
<b><i>Environmental sustainability</i></b>	Long term maintenance of ecosystems components and functions for the future generation. It could also be defined as meeting the needs of the present without compromising the ability of future generations to meet their needs.
<b><i>Equity</i></b>	Specifically mentioned in Principle 3 of the Rio Declaration, according to which "the right to development must be fulfilled so as to equitably meet developmental and environmental needs of present (intra-generational equity) and future generations (inter-generational equity)". The notion of equity refers frequently to that of public interest (general interest).
<b><i>Equality of chances</i></b>	<p>Vision of equality, which seeks to ensure that individuals have the "same chances", the same socio-economic development opportunities, irrespective of their social or ethnic origin, sex, financial resources of their parents, their place of birth, their religious convictions, eventual disability ...</p> <p>Equality of chances consists mainly in favouring population groups that suffer discrimination in order to ensure for them an equity treatment. It implies that differences associated with the environment of origin are neutralized.</p>
<b><i>Family Owned Enterprise</i></b>	A business in which one or more members of one or more families have a significant ownership interest (e.g. >20% of shares) and significant commitments toward the business' overall well-being.

<p><b><i>Feminization of poverty</i></b></p>	<p>Since the Beijing Conference, poverty of women is perceived and considered as a development problem. Beijing PFA presents the fundamental reasons for persistence of poverty and its weight on women:</p> <ul style="list-style-type: none"> <li>- lack of prospects and economic autonomy associated with limited access to productive resources, education, low level of participation in decision-making.</li> <li>- the little attention paid to analysis of gender equity in the definition of economic policies and plans,</li> <li>- social services that do not adequately take into account the specific situation of women, particularly in the distribution of paid labour and responsibilities within the family and the society,</li> <li>- vulnerability of women on the labour market for lack of qualification through discrimination, excess family burden, poor health due particularly to lack of access to health services and lack of information and decision on reproductive health and family planning.</li> </ul>
<p><b><i>Financial Inclusion</i></b></p>	<p>The provision of financial services (such as banking, saving and insurance facilities) at affordable costs to vast sections of disadvantaged and low income groups. It is argued that as banking services are in the nature of public good, it is essential that availability of banking and payment services to the entire population without discrimination is the prime objective of public policy</p>
<p><b><i>Fiscal framework</i></b></p>	<p>The overall policy environment and policies that relate to the use of government spending to achieve various objectives. Fiscal policy specifically refers to government's management of its revenue (income and expenditure), and how this affects the economy and markets</p> <p>Fiscal policy is contrasted with monetary policy, which refers mainly to the regulation of the money supply (including interest policies and currency valuation), which is the function of the central bank</p>
<p><b><i>Gender equality</i></b></p>	<p>Equality between men or women or gender equality implies that equal conditions for all be ensured in order to enable them to fully exercise their rights and potential and contribute to the political, economic, social and cultural development of their society, while benefitting from the outcome.</p> <p>The concept of integration of the gender dimension into any action was clearly designed as a universal strategy for promoting gender equality in the Platform of Action adopted by the Fourth International Conference on Women held in Beijing in 1995. This notion underscored the need to ensure that gender equality was a priority in all areas of social and economic development.</p>

<b><i>Good Corporate Citizenship (includes corporate social responsibility)</i></b>	The way an organization takes responsibility for the impact of its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public by the deliberate inclusion of public interest into corporate decision-making, and the honouring of a triple bottom line: People, Planet, Profit.
<b><i>Government tendering system</i></b>	The set of arrangements through which the government procures goods and services from independent suppliers (normally through a competitive bidding process)
<b><i>Government-linked company (GLC)</i></b>	A corporate entity that may be private or public or listed on a stock exchange where government owns a stake (<50%)
<b><i>Implementation</i></b>	Implementation is where a State carries out or executes his or her obligation under a treaty. Implementation gives practical effect to a treaty in order to ensure that desired outcomes are realized.
<b><i>Incorporated Entity</i></b>	An organization that has been registered according to national procedures by a notary, at the Companies Registry, Register of Commerce or equivalent.
<b><i>Independent Members of the Board</i></b>	Individuals who have no link to the organization other than being a member of the Board. Countries have adopted specific definitions of what makes a member of the Board ‘independent of character and judgment’.
<b><i>Informal Sector</i></b>	Economic activity that is neither taxed nor monitored by a government, and is not included in that government's Gross National Product. It has been suggested that within many African countries more than 50% of the labour force is employed in the informal sector. See the suggested definition in the questionnaire
<b><i>Insider Trading</i></b>	Trading in the shares of a company by an individual who has knowledge of undisclosed ‘price sensitive information’ that comes from an inside source.
<b><i>Internal and external economic shocks</i></b>	Unanticipated events originating within or without the country that adversely effect the economy

<b><i>Internally Displaced Persons</i></b>	Persons or groups of persons who have been forced or obliged to flee or to leave their homes or places of habitual residence, in particular as a result of or in order to avoid the effects of armed conflict, situations of generalized violence, violation of human rights or natural or human-made disasters, and who have not crossed an internationally recognized State border,
<b><i>International arbitration instruments</i></b>	Means and systems for settling disputes between countries, or among corporations across national borders
<b><i>Members of the Board</i></b>	Members of the governing body (Board, Council, governing body etc) of an organization e.g. directors of incorporated companies.
<b><i>Micro finance</i></b>	The provision of financial services and small amounts of funding for entrepreneurs or small projects
<b><i>Micro, Small and Medium Enterprises (MSMEs)</i></b>	Businesses below a certain threshold (usually turnover or headcount)
<b><i>Money laundering</i></b>	The practice or act of converting funding acquired by crime or other illegal means into legitimate currency
<b><i>Net foreign assets</i></b>	The total value of assets that the country owns abroad, minus assets owned by foreigners (domestically) in the country
<b><i>Non- Executive Directors/Members of the Board</i></b>	Members of the Board who are not involved in the day to day management of the organization and do not have a contract of employment with the organization.

<p><b><i>Non-Governmental Actors:</i></b></p>	<p>These are main structures of the society outside government and public administration. These structures are born out of the will of the citizens, their objective being the promotion of an issue or defending a general or specific interest. They are independent of the State.</p> <p>For their participation, non-governmental actors may be selected on the basis of criteria taking into account, in particular:</p> <ul style="list-style-type: none"> <li>- Diversity (to ensure representation of the different families of non-state actors).</li> <li>- The need to ensure representation of actors considered as marginal (women and disabled persons in particular).</li> <li>- Representation of the different levels: collective and consortium....</li> <li>- Visibility and accessibility of the organizations selected (because they have a functional headquarters, equipped with telephone and/or Internet, etc... facilities).</li> <li>- Comparative advantage in a determined area of activity.</li> </ul>
<p><b><i>Not for Profit Sector</i></b></p>	<p>That part of the economy where organizations are for non-profit and non-governmental. This sector is also called the third sector, in reference to the private sector and the public sector, or the Civic sector emphasizing the sector's relationship to civil society. It includes Non-Governmental Organizations, Community Based Organizations, Umbrella bodies, faith based organizations, apex bodies and other related organizations.</p>
<p><b><i>Organization</i></b></p>	<p>A person or group of people intentionally organized to accomplish an overall, common goal or set of goals which can be for profit or not-for profit, they can be incorporated or non-incorporated, and can be established in the public, private or not-for-profit sectors.</p>
<p><b><i>Parastatals</i></b></p>	<p>Quasi-governmental organizations, corporate entities or agencies that are treated by national laws and regulations to be under the guidance of the government, but also separate and autonomous from the government. While the entity may receive some revenue from charging customers for its services, these organizations are often partially or majorly funded by the government. They are usually considered highly important to the smooth running of society, and are sometimes propped up with cash infusions in times of crisis to help surmount situations that would bankrupt a normal privately-owned business. They may also possess law-enforcement authority, usually related to their functions. They pursue purely non-financial objectives. They should be distinguished from State Owned Enterprises that have a distinct legal form and are established usually by government to operate in commercial affairs</p>

<p><i>Participation</i></p>	<p>According to the World Bank (1994) “Participation is a process through which stakeholders influence development initiatives, decisions and resources concerning them on which they have a right to supervise”.</p> <p>Participation is an approach whereby all stakeholders are equitably and actively involved in the formulation of development policies and strategies as well as the analysis, planning, implementation, control and evaluation of development activities.</p> <p>Participation of stakeholders is the association into a single process, a procedure. There are eight main modes of association of the public, classified from the less participative to more participative.</p> <p><b>information:</b> action of giving information (unilaterally, one way)</p> <p><b>consultation:</b> action of soliciting a view</p> <p><b>consensus-building:</b> action of exchanging views and looking for a compromise</p> <p><b>dialogue:</b> action of exchanging views and proposals</p> <p><b>involvement:</b> action of getting involved in a process or engaging one’s responsibility in it</p> <p><b>participation:</b> action of actively associating oneself with a process</p> <p><b>appropriation:</b> action of assuming ownership as a stakeholder</p> <p><b>approval:</b> action of allying oneself with or fully sharing objectives.</p>
<p><i>Price sensitive information</i></p>	<p>Undisclosed information that, if made generally known, would be likely to have an effect on the share price of the company concerned.</p>
<p><i>Principles of sustainable human development</i></p>	<p>There are 5 key terms, all of which have an impact on the life of poor and vulnerable people:</p> <ul style="list-style-type: none"> <li>- <b>Accountability:</b> extension of the capacities and options offered to men and women increases their ability to make choices without suffering hunger, shortages and deprivations, while improving their possibility to participate in decision-making on issues that have an impact on their life or approve the decisions taken.</li> <li>-<b>Cooperation:</b> since the sense of belonging is important for personal well-being, welfare and sense of responsibility and action, broad-based and sustainable socio-economic development is interested in the means that allow population groups to work together in a concerted manner.</li> <li>-<b>Equity:</b> the extension of abilities and opportunities is not limited to incomes, it is an issue of equity, for example, and educational system to which everybody should have access.</li> <li>-<b>Sustainability:</b> it is advisable to cover the needs of the present generation without compromising the right of future generations to be sheltered from poverty and destitution and to take advantage of their basic abilities.</li> <li>-<b>Security:</b> security of livelihoods, in particular. Individuals should be sheltered from threats, such as diseases or repressions as well as abrupt disruptions of their life, which are harmful.</li> </ul> <p>UNDP focuses on four critical aspects of broad-based and sustainable socio-economic development: elimination of poverty, creation of jobs and livelihoods, protection and regeneration of the environment and promotion of women. The strengthening of capacities for purposes of good governance supports all these objectives.</p>

<b><i>Private sector</i></b>	That part of the economy which is both run for private profit and is not controlled by the state. It includes family owned businesses, private companies, Micro, Small and Medium Enterprises, as well as the informal sector;
<b><i>Public Authorities</i></b>	Organizations in the public sector that takes on roles, such as the maintenance of public infrastructure. They often have broad powers to regulate or maintain public property.
<b><i>Public Commission</i></b>	A body, in the public sector, that regulates the rates and services of a utility or carries out an investigation into a defined matter on behalf of the government.
<b><i>Public finance management</i></b>	The proper use and deployment of state revenues funding
<b><i>Public sector</i></b>	Sometimes referred to as the state sector, is a part of the state that deals with the production, delivery and allocation of goods and services by and for the government or its citizens, whether national, regional or local/municipal. It includes State Owned Enterprises, Parastatals and Public Authorities or Commissions;
<b><i>Ratification</i></b>	Ratification defines the international act whereby a state indicates its consent to be bound to a treaty if the parties intended to show their consent by such an act. In the case of bilateral treaties, ratification is usually accomplished by exchanging the requisite instruments, while in the case of multilateral treaties the usual procedure is for the depositary to collect the ratifications of all states, keeping all parties informed of the situation. The institution of ratification grants states the necessary time-frame to seek the required approval for the treaty on the domestic level and to enact the necessary legislation to give domestic effect to that treaty.
<b><i>Refugees</i></b>	Persons who, owing to well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, unwilling to avail himself of the protection of that country or to return to it or who is obliged to seek refuge in a place outside his country of origin or nationality owing to external aggression or events disturbing public order in either part or the whole of his country,

<b><i>Regional integration</i></b>	Agreements and arrangements that allow for neighbouring or nearby countries to harmonise various national systems (political, economic, commercial, banking, etc) and reap greater economic benefits
<b><i>Related Parties and Related Party Transactions</i></b>	<p>Reference is made to the definition of related parties and related party transactions in International Accounting Standard 24. A related party is:(a) a member of the Board or of the key management personnel of the organisation;(b) any other person that significantly controls or influences the organisation; (c) any close member of the family (such as the individual's domestic partner and children, children of the individual's domestic partner and other dependants of the individual or of the individual's domestic partner) of any individual referred to in (a) or (b); (d) any entity controlled or significantly influenced by the organisation or by any individual referred to in (a) or (b); (e) any entity under joint control with the organisation;</p> <p>(f) any entity that significantly controls or influences the organisation.</p> <p>A related party transaction shall be understood as a transfer of resources, services or obligations between related parties and the organisation, regardless of whether a price is charged. This includes among others: purchases or sales of goods, property and other assets; rendering or receiving of services; leases; transfers of research and development; transfers under licence agreements; financial arrangements (including loans and equity contributions in cash or in kind); provision of guarantees or collateral; commitments to do something if a particular event occurs or does not occur in the future, including executory contracts; etc.</p>
<b><i>Remittances</i></b>	These refer to transfers of monies into the national economy, normally from various sources, but mainly from citizens resident or working in other countries.
<b><i>Sanctions</i></b>	Actions taken against organizations for non-compliance with a particular law, regulation, standard or code, such as but not limited to, warnings, fines, suspension of trading, public reprimand, restatements, civil penalties, criminal penalties. Where evidence of sanctions is requested it should be provided for the last 5 years
<b><i>Sectoral policies</i></b>	Policies applicable to a specific sector of the economy
<b><i>Sectors</i></b>	Refers to the private, public and not-for-profit sectors of the economy

<b><i>Segments</i></b>	Refer to the different types of activity within the economy e.g. manufacturing, service delivery etc.
<b><i>Separation of Powers</i></b>	The assignment of different powers (legislative, executive, judicial) to distinct branches of government to protect liberty
<b><i>Social inequalities</i></b>	Social inequalities designate the different treatments that may be to the advantage of a social class, a group or an individual in relation to others and which establish status hierarchies. The differences associated with origins (social classes, country, culture), level of education, sex, age, colour of the skin, physical appearance, religious practices... are taken into account by sociologists for their contributions to economic inequalities (incomes, unemployment...). These inequalities may be explained and assumed (level of education for access to post of responsibility) or implicit (inequality between salaries of men and women)
<b><i>Social protection</i></b>	A range of political, legal, social, environmental and economic interventions aimed at supporting individuals, families and communities in their efforts to manage the risks confronting them with a view to reducing their vulnerability and achieving greater social equity.
<b><i>Stakeholders</i></b>	In a more general framework, Agenda 21 considers commitment and real participation of all social groups as a condition of sustainable development. Section III of Agenda 21, which concerns strengthening of the role of major groups presents the list: women, children and young people, native population communities, non-governmental organizations, local communities, workers and their unions, trade and industry, scientific and technical community, farmers.

<p><b><i>Standards and Codes</i></b></p>	<p>The following UN definitions should be adopted when completing the table of standards and codes:</p> <ul style="list-style-type: none"> <li>• Accede is an act by which a State signifies its agreement to be legally bound by the terms of a particular treaty or convention. It has the same legal effect as ratification (see below), but is not preceded by an act of signature.</li>   <li>• Adoption is the formal act by which the form and content of a proposed treaty or convention text are established, usually by way of a resolution of a representative organ</li>   <li>• Enacted or Entry into Force. This occurs at a specified date and time following ratification of the treaty or convention and is usually set out in the national legislative requirements relating to that treaty or convention</li>   <li>• Ratification is an act by which a State signifies an agreement to be legally bound by the terms of a particular treaty or convention. It usually does this through following national constitutional procedures e.g. Parliament, Head of State or a combination and making a formal decision to be a party to the treaty or convention</li>   <li>• Signature of a treaty or convention is an act by which a State provides a preliminary endorsement of the treaty or convention. It does not create a legally binding obligation but does demonstrate the State’s intent to examine the treaty or convention domestically and consider ratifying it.</li> </ul>
<p><b><i>State Owned Enterprises (SOEs)</i></b></p>	<p>Have a distinct legal form and are established usually by government to operate in commercial affairs. While they may also have public policy objectives, SOEs should be differentiated from other forms of government agencies or state entities (Parastatals) established to pursue purely non-financial objectives. They should produce a return on investment to government either through share price increase or dividends. SOEs can be fully owned or partially owned by Government (&gt;50% of shares).</p>
<p><b><i>Sub-national government or authority</i></b></p>	<p>Levels of government below the national sphere, whether provincial, state, regional, district or local/municipal</p>
<p><b><i>Sustainability</i></b></p>	<p>The capacity of an organization to reconcile social, environmental and economic issues in a way that it endures in the long-term.</p>

<b><i>Sustainable development</i></b>	Sustainable Development means that economic growth and expanded opportunities to create wealth generate employment and raise living standards are achieved without excessive costs to the environment, to the economic fundamentals or to the population; and that this growth can continue in the long term. In short "meeting the needs of the present without compromising the ability of future generations to meet their own needs."
<b><i>Tax regime</i></b>	The total system, including processes, rates of taxation, types and categories of taxes and taxpayers to whom they apply, that exist within a country.
<b><i>Traditional Authorities</i></b>	Leaders whose authority stems from historical custom, most notably chiefs or elders.
<b><i>Two Tier Boards</i></b>	Most common in countries in Europe such as France, Germany and The Netherlands. They comprise of a Supervisory Board made up of non-executive members and a management board made up of executive members. The CEO chairs the management board.
<b><i>Unitary Boards</i></b>	(also known as one-tier boards) are single boards comprising both executive and non-executive members. They are common in most commonwealth countries
<b><i>Vulnerable Groups</i></b>	Groups who are at a particular risk of maltreatment or exclusion from the political process, such as children, the youth, the aged, women, persons with disabilities, indigenous populations, ethnic minorities, migrant workers, and the poor
<b><i>Youth</i></b>	Persons between the ages of 15 and 35 years

*Note: The above list is not exhaustive, additional terms and definitions are also provided throughout the document. Should clarity be required on any term or definition, please contact the APR Focal Point or the APR Secretariat (see details on the front cover).*

## CHAPTER 1

### 1. BACKGROUND AND PROCESS OF THE APRM

In recognition of the imperatives of good governance for development, the Sixth Summit of the Heads of State and Government Implementation Committee (HSGIC) of the New Partnership for Africa's Development (NEPAD), held in March 2003 in Abuja, Nigeria, adopted the Memorandum of Understanding (MoU) on the African Peer Review Mechanism (APRM).

The African Peer Review Mechanism (APRM), which has been widely acclaimed as Africa's innovation in entrenching democracy and good governance, is an instrument voluntarily acceded to by Member States of the African Union as a self monitoring mechanism intended to foster the adoption of policies, standards and practices that lead to political stability, high economic growth, sustainable development and accelerated sub-regional and continental economic integration through sharing of experiences and reinforcement of successful and best practice, including identifying deficiencies and assessing the needs of capacity building. It is a commitment to African governance standards and the tool for implementing the codes and standards enshrined in the Declaration on Democracy, Political, Economic and Corporate Governance.

The overarching perspective of the APRM is good governance predicated on participation regularity, accountability, inclusiveness, openness and transparency and its relationship to efficiency and responsiveness. The APRM is unique both in its scope and breadth, with the review process extending to all levels of government, parliament and the judiciary as well as the private sector and civil society organisations. The APRM also covers simultaneous evaluation in four distinct pillars: Democracy and Good Political Governance, Economic Governance and Management, Corporate Governance and Socio-Economic Development. The core principle is that every review exercise carried out under the authority of the mechanism must be technically competent, credible and free of political manipulation. It is a non-adversarial learning process among peers that relies heavily on mutual trust among the states involved in the review, as well as shared confidence in the process.

Participation in the process is open to all member states of the African Union. Accession entails undertaking to submit to periodic peer reviews, as well as to facilitate such reviews, and be guided by agreed parameters for good political governance and good economic and corporate governance.

The African Peer Review Mechanism Base Document envisages the following four distinct reviews:

1. **Base review** when a country officially accedes to the APRM process. Bearing in mind that African countries are at different levels of development, on joining the APRM, a country will be assessed (the base review) and a timetable (programme of action) for effecting progress towards achieving the agreed standards and goals must be drawn up by the state in question, taking into account the particular circumstances of that state. According to the Base Documents, the Base Review is supposed to be undertaken within 18 months of a country becoming a member of the APRM process.
2. **Periodic review** which are meant to be conducted every two-four years;
3. **Ad-hoc review** which might be requested specially by an APRM member state; and,
4. **Special review** which might be initiated at any moment when early warning signs suggest an impending political, economic or social crisis in an APRM member state. This type of review would be



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conducted in the spirit of assistance between African states, and would be called for by the APRM Heads of State and Government Implementation Committee (APR Forum), in solidarity with the government concerned.

This questionnaire is principally focused on the comprehensive Base Review.

## CHAPTER 2

### 2. GUIDELINES FOR COMPLETING THE QUESTIONNAIRE

#### 2.1. About the Questionnaire

The Questionnaire is divided into four major sections corresponding to the four focus areas in the “Objectives, Standards, Criteria and Indicators for the APRM” document

- a) Democracy and Good Political Governance
- b) Economic Governance and Management
- c) Corporate Governance
- d) Socio-economic Development

In each focus area, the overall objective of the section is defined, followed by the components in terms of which country action with regard to the overall goal will be assessed:

**Objectives.** The objectives define the essential elements of the overall goal that must be achieved in a measurable way.

**Standards and Codes.** The Standards and Codes are those that have been approved by African countries, individually or collectively, with regard to ‘how’ they govern themselves and manage their societies, economies and socio-economic development.

**Questions.** The questions serve to focus on what the country has done with regard to the objectives and the codes, how it does it and with what results.

**Indicators.** The indicators are the type of evidence that is expected in the responses of countries. The indicators serve to highlight aspects of the objective, standard or code that are generally recognised as measures of performance and results.

#### 2.2. Procedure for Completing the Questionnaire

According to the Guidelines to prepare for and to participate in the APRM, following accession to the APRM, countries are required to designate a Focal Point; to establish a National Governing Council comprised of all key stakeholders; and to allocate a budget for the APRM process. Only once this has been done will the country review process for the country be launched.

At this time the Country Self Assessment Questionnaire is sent to the country. As technical soundness is a key underpinning principle of the APRM, the NGC should appoint national research institutions to assist with the execution of the questionnaire. It is preferred that at least one institution be appointed for each thematic area. National institutions are recommended so as to build capacity and promote national ownership.

In completing the questionnaire, it is prudent for each TRI to divide the same into two broad parts:

- a) Matters requiring desk research and for which field research is not required
- b) Issues for survey

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In terms of the survey, standard survey tools e.g. Household Survey, Expert Panel; Focus Group Discussions may be used. *(Please refer to the Research Protocol Instrument accompanying this questionnaire for more information on the common APRM Survey tools).*

In preparing the research tool and the compilation of the final responses, careful attention should be paid to the guidance notes to be found below each objective and assessment area.

Each TRI is then required to collate the responses received for their thematic area and to compile the technical report for that area. In this regard, it is important that prior to beginning the process of compilation for the TRIs to agree on the format for compiling the report and the treatment of cross-cutting issues.

This thematic technical reports should then be collated into a consolidated country self assessment report under the guidance of the NGC. In this regard special attention should be paid to prioritization of key governance challenges on the whole and in each thematic area. It is important that the reports are not bulky and are user friendly. Countries are also encouraged to flesh out their best practices.

## **Validation**

Validation is the process of ensuring that most stakeholders broadly agree as to the outcome of the self assessment and that the key governance issues identified are those that are of general and common concern.

This is achieved through a careful selection of a set of indicators that can adequately provide, collectively, a satisfactory measure of the concept. The validation of the instrument prepared by the consultants has to be carried out at national level in order to find out if the instruments' options were properly worded and exhaustive, if concepts and questions had sufficient clarity, and if the instructions were adequate. In addition, the Pre-test is expected to reveal if there were any problems with the translations to local languages, the presentation and/or administration of the research instruments, and to test how long it would take to provide responses to all items in the instruments *(The APRM Research Protocol Provides more information on Validation).*

### **2.3. Cross-cutting Issues**

Cross-cutting issues are defined as those issues that recur in almost every area of governance and have to be tackled holistically due to the overall impact they have on several areas of governance. Some of the common cross-cutting issues identified in past reviews include: land, corruption; gender issues; implementation gaps and lack of capacity etc. Some of the cross-cutting issues are common among countries but some are specific to a particular country. Countries are therefore encouraged to isolate all cross-cutting issues that are relevant to their specific circumstances and analyse them comprehensively in a Chapter at the end of the CSAR.

By including the most relevant cross-cutting issues in its development policies and strategies, the participating country is able to respond more effectively to particular circumstances. Taking account of cross-cutting issues helps participating countries and their development partners to:

- identify the key constraints affecting growth, poverty reduction, equity, opportunity, security and empowerment in a given country
- work with national stakeholders on measures to address these issues
- incorporate such measures into the domestic development strategy
- monitor the outcomes of a policy of integrating cross-cutting issues

When domesticating the questionnaire, questions and indicators on selected cross-cutting issues should be built into every section/thematic area of the questionnaire. It is therefore suggested that countries ensure that all participating stakeholders are aware of these cross-cutting issues, as well as others that might be of special significance within the context of the country, and that they be invited to identify other cross-cutting issues they consider important from the perspective of the country.

### **2.4. Codes and Standards**

- 2.4.1 For each standard and code, please indicate dates of signature, ratification and domestication as applicable.
- 2.4.2 Describe the approaches or methods that facilitated the domestication of the codes and standards ratified, such as:
- enactment into domestic legislation
  - translation into national languages, organization of seminars and conferences on popularization and publication of regular reports on implementation of the standards and conventions, advocacy, teaching programmes ....);
  - creation of easily-accessible databases on the standards and codes signed, ratified and integrated for monitoring purposes;
  - existence of programmes aimed at disseminating the information on the standards and codes signed, ratified or integrated into the national system.

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- use of the codes and standards in formulation of policies and design of national development programmes and projects
- 2.4.3 Describe the progress registered in the respect of the norms and achievement of the objectives, in terms of appropriate results indicators. Outline where applicable, efforts or progress to ensure compliance with the relevant standard or codes. Respondents should identify and focus on codes that are particularly relevant within their country's political and social contexts, especially on African standards and codes.
- 2.4.4 What enforcement mechanisms and reporting structures are available in respect of standards and codes that have been ratified.
- 2.4.5 For the standards and codes that have not been signed, ratified or enacted/implemented, outline the obstacles faced and any steps being taken to sign, ratify, enact/implement such standards? Respondents should identify and focus on codes that are particularly relevant within their country's political and social contexts, especially on African standards and codes.
- 2.4.6 In case the standards and codes have not been ratified, indicate the other legislative, political measures, and institutional instruments or frameworks that have been put in place for achieving the same or similar objectives.
- 2.4.7 If not already discussed, describe any legislation, policy or practices that violate any of the listed standards and codes.
- 2.4.8 Outline any legislative, policy or institutional frameworks that have been put in place to implement any relevant sub-Regional (i.e. SADC, ECOWAS, EAC, ECCAS) charters, conventions and protocols on democracy and governance.
- 2.4.9 If your country has adopted and implemented any international standards and codes related to democracy and political governance that are not listed in the questionnaire, you are at liberty to provide relevant information concerning their date of adoption, any institutional arrangements in place for their ratification, and the human and financial capacity to implement these standards.

## CHAPTER 3

### 3. DEMOCRACY AND GOOD POLITICAL GOVERNANCE

#### Definition

The Framework Document of the New Partnership for African Development provides that Democracy and Political Governance should, among other things seek to contribute to strengthening the political and administrative structures of African countries in line with the principles of democracy, transparency, accountability, integrity, respect for human rights and promotion of the rule of law. The 2007 AU Charter on Democracy, Elections and Governance cites governance as requiring "undertaking regular reforms of the legal and justice systems," and "improving efficiency and effectiveness of public services and combating corruption". A similar meaning of good governance is also derived from the definition of 2002 Organization of African Unity Memorandum of Understanding from the Conference on Security, Stability, Development and Co-operation in Africa, which argued that good governance comprised "accountability, transparency, the rule of law, elimination of corruption and unhindered exercise of individual rights as enshrined in the African Charter on Human and People's Rights." According to the United Nations Economic Commission for Africa, good governance is at the heart of sustainable development, the alleviation of poverty and good for economic growth. Democracy and good political governance therefore constitute an important prerequisite for successful economic, corporate and socio-economic governance, as it touches on the fundamental rights of the citizenry (both individuals and groups), the accountability of government to the governed, and the relative stability of the polity.

### 3.1. Conceptual Framework

This thematic area addresses one of the main goals of the APRM, which is the promotion of democracy and good political governance as a basis for the reduction of poverty and the attainment of sustainable development.

In this regard, this thematic area measures some of the key requirements for the promotion of a democratic and well governed society. These are:

#### A Guaranteed Framework of Equal Citizen Rights

This category of concerns includes issues such as access to justice, respect for the rule of law, the freedoms of expression, association and assembly, as well as the basic economic and social rights to enable citizens to exercise these freedoms effectively.

#### The Promotion of Institutions of Representative and Accountable Government

This encompasses the regular organization of free and fair elections as one of the principal means for ensuring popular participation in the constitution of the government and the monitoring of its performance. It also touches on the procedures that are designed to ensure the continuous accountability of officials, elected as well as non-elected, to the public.

#### A Vibrant Civil Society

This includes the existence of free and pluralistic media and vibrant civil society organisations. It also touches upon the system of public consultation for encouraging popular participation in the political process, involving marginalised groups in decision-making, eliciting governmental responsiveness to public opinion, and improving public service delivery. Close attention will be paid to the extent to which women, children and other marginalized groups such as internally displaced persons and refugees are integrated into the consultative process.

A number of specific objectives” have been developed to guide respondents as they expound on democracy and political governance issues in their countries. These are:

- Constitutional democracy and the Rule of Law
- The Separation of powers
- Prevention and reduction of intra and inter-state conflicts
- Promotion and protection of civil and political rights.
- Ensuring accountable, efficient and effective public service delivery at the national and decentralized levels
- Promotion and protection of the rights of women
- Promotion and protection of the rights of children and young persons
- Promotion and protection of the rights of vulnerable groups

Additional information and guidelines are provided at the beginning of each objective. Respondents are reminded that the objectives and associated indicators should be interpreted flexibly so as to allow to the respondents to contextualize responses to suit their country contexts. A country’s background and context should always be given to provide an anchor for the country to allow for domestication of questions where applicable and to guide the assessment of the country.

## 3.2. Standards & Codes

*Given the large number of standards and codes that are associated with the objectives under this thematic area, it is suggested that respondents indicate which of the standards or codes the country has signed, ratified or is presently complying with. Thereafter, respondents may go ahead to elaborate on the first question, providing as much evidence as is possible. Since indicators in Democracy and Political Governance are not amenable to quantitative measurement, the focus is on qualitative assessment. Respondents are requested to focus on Codes that are particularly relevant to their countries.*

*The indicators that follow are not intended to be exhaustive. You may want to elaborate on your answers and add key indicators, which relate to your country but which are not captured by the suggested indicators. Kindly note that if your country has adopted and implemented any international standards that are not listed in the questionnaire, you are at liberty to provide relevant information concerning the date of adoption, the institutional arrangements in place, and the human and financial capacity for implementation.*

- 3.2.1. Please complete the Check List below, indicating the date and place of signature, ratification and enactment/implementation of any of the listed standards and codes where applicable. Where a standard or code has been enacted with reservations, please indicate this and provide details of the reservations.

### STANDARDS AND CODES THAT NEED SIGNING AND/OR RATIFICATIONS.

Standards and Codes	Adopted /signed (include date)	Ratified	Enacted	Date last reported	Reservation/ Notes
Charter of the United Nations (1945)					
Universal Declaration of the Human Rights (1948)					
International Convention on Civil and Political rights					
First Optional Protocol to the International Covenant on Civil and Political Rights					
Second Optional Protocol to the International Covenant on Civil and Political Rights					
International Convention on Economic, Social and Cultural Rights					
Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (1984)					
Optional Protocol to the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (2002)					
International Convention on the Elimination of All Forms of Racial Discrimination (1965)					
Convention on the Political Rights of Women (1952)					
Convention on the Elimination of All Forms of Discrimination Against Women (1979)					
Optional Convention on the Elimination of All Forms of Discrimination Against Women					
International Convention on the Protection of the Rights of All Migrant Workers and					

Members of their Families (1990)					
Convention on the Rights of the Child (1989)					

Optional Protocol to the Convention on the Rights of the Child on the involvement of Children in Armed Conflict (2000)					
Optional Protocol to the Convention on the Rights of the Child on the Sale of Children, Child Prostitution and Child Pornography (2000)					
Convention Relating to the Status of Refugees (1951)					
Protocol relating to the Status of Refugees (1967)					
The Geneva Conventions of 1949					
Protocol Additional to the Geneva Conventions of 12 August 1949, and relating to the Protection of Victims of International Armed Conflicts (Protocol I), 8 June 1977					
Protocol Additional to the Geneva Conventions of 12 August 1949, and relating to the Protection of Victims of Non-International Armed Conflicts (Protocol II), 8 June 1977					
Convention on the Protection of the Rights of All Migrant Workers and Members of their Families and Members of their Families (1990)					
The African Charter on Human and Peoples Rights (1981)					
African Charter on the Rights and welfare of the Child (1990)					
Protocol to the African Charter on Human and Peoples' Rights of women in Africa (2003)					
OUA Refugee Convention of 1969					
Protocol to the AU Convention on the Prevention and Combating of Terrorism					
African Union Convention for the Protection and Assistance of Internally Displaced Persons in Africa (Kampala Convention) (2009)					
The African Charter on Democracy, Elections and Governance (2007)					
African Convention on the Conservation of Nature and Natural Resources (1968)					
Bamako Convention on the Ban of the Import into Africa and Control of Trans-boundary Movement and Management of Hazardous Wastes within Africa (1991)					
Charter for the Public service in Africa (2001)					
African Youth Charter (2006)					
African Charter on Statistics (2009)					
African Charter for Popular Participation in Development and Transformation (1990)					

### STANDARDS THAT DO NOT NEED RATIFICATION

Standard/Code	Adopted	Notes
The Constitutive Act of the African Union (2000)		
New Partnership for Africa's development- Framework Document (2001)		
Protocol to the AU Constitutive Act on the Statute of the African Court of Justice and Human Rights (2008)		
Protocol relating to the establishment of the Peace and Security Council of the AU (2002)		
Grand Bay (Mauritius) Declaration and Plan of Action for the Promotion and Protection of Human Rights (1999)		
Declaration on Principles Governing Democratic Elections in Africa – (2002)		
NEPAD Declaration on Democracy, Political, Economic and Corporate Governance – (2003)		
Declaration and Plan of action on Control of Illicit Drug Trafficking and Abuse in Africa (2002)		
Declaration on the Rights of Disabled Persons (1975)		
Declaration on the Right and Responsibility of Individuals, Groups and Organs of Society to Promote and Protect Universally Recognized Human Rights and Fundamental Freedoms (1998)		
Resolution on Women in conflict (2000)		
Declaration on Elimination of All forms of intolerance and of Discrimination based on Religion or Belief (1981)		
Declaration on the Elimination of Violence Against Women (1993)		
Declaration on Fundamental Principles Concerning the Contribution to the Mass Media to Strengthening Peace and International Understanding, to the Promotion of Human Rights and to Countering Racism, Apartheid and Incitement to War (1978)		
African Platform on the Right to education (1999)		
Declaration on Fundamental Principles Concerning the Contribution to the Mass Media to Strengthening Peace		

and International Understanding, to the Promotion of Human Rights and to Countering Racism, Apartheid and Incitement to War (1978)		
Declaration on Social and Legal Principles relating to the Protection and Welfare of Children, with Special Reference to Foster Placement and Adoption Nationally and Internationally (1986)		

Cairo Declaration of the Assembly of Heads of State on the Establishment, within the OAU, of a Mechanism for Conflict Prevention, Management and Resolution (1993)		
Declaration on Rights of Persons belonging to national or Ethnic, religious and Linguistic Minorities (1992)		
Declaration of Principles on Freedom of Expression in Africa (2002)		
Robben Island Guidelines and Measures for the Prohibition and Prevention of Torture, Cruel, Inhuman or Degrading Treatment or Punishment in Africa (2002)		
Memorandum of Understanding, Conference on Security, Stability, Development and Cooperation in Africa (CSSDCA) (2002)		
Declaration on the Protection of All Persons from being subjected to Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (1975)		
African Union Non-Aggression and Common Defence Pact (2005)		
Declaration of Basic Principles of Justice for Victims of Crime and Abuse of Power (1985)		
Declaration on the Right and Responsibility of Individuals, Groups and Organs of Society to Promote and Protect Universally Recognized Human Rights and Fundamental Freedoms (1998)		
Declaration on the Elimination of Violence Against Women (1993)		
Declaration on Framework for an OAU response to Unconstitutional Changes of Governments (2002)		
Declaration on Social and Legal Principles relating to the Protection		

and Welfare of Children, with Special Reference to Foster Placement and Adoption Nationally and Internationally (1986)		
Declaration on the Protection of All Persons from being subjected to Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (1975)		
Declaration on the Rights of Disabled Persons (1975)		

Declaration on the Right and Responsibility of Individuals, Groups and Organs of Society to Promote and Protect Universally Recognized Human Rights and Fundamental Freedoms		
Declaration of Basic Principles of Justice for Victims of Crime and Abuse of Power (1985)		
Cairo Declaration of the Assembly of Heads of State on the Establishment, within the OAU, of a Mechanism for Conflict Prevention, Management and Resolution (1993)		
Memorandum of Understanding, Conference on Security, Stability, Development and Cooperation in Africa (CSSDCA) (2002)		
Advisory Opinion of the African Commission on Human and Peoples' Rights on the United Nations Declaration on the Rights of Indigenous Peoples (2007)		
Principles and Guidelines on the Right to a Fair Trial and Legal Assistance in Africa (2001)		
Ouagadougou Declaration and Plan of Action on Accelerating Prison and Penal Reform in Africa (2003)		
Solemn Declaration on Gender Equality in Africa (2004)		
African Union Non-Aggression and Common defence Pact (2005)		

**OTHER APPLICABLE INTERNATIONAL AND REGIONAL STANDARDS AND CODES**

1		
2		
3		
4		

- 3.2.2. For the standards and codes that have not been signed, ratified or enacted/implemented, outline the obstacles faced and any steps being taken to sign, ratify, enact/implement such standards? Respondents should identify and focus on codes that are particularly relevant within their country's political and social contexts, especially on African standards and codes.
- 3.2.3. What enforcement mechanisms and reporting structures are available in respect of standards and codes that have been ratified. Outline where applicable, efforts or progress to ensure compliance with the relevant standard or codes. Respondents should identify and focus on codes that are particularly relevant within their country's political and social contexts, especially on African standards and codes.
- 3.2.4. If not already discussed, describe any legislation, policy or governmental actions that violate any of the listed standards and codes.
- 3.2.5. Outline any legislative, policy or institutional frameworks that have been put in place to implement any relevant sub-Regional (i.e. SADCC, ECOWAS, EAC, ECCAS) charters, conventions and protocols on democracy and governance.
- 3.2.6. If your country has adopted and implemented any international standards and codes related to democracy and political governance that are not listed in the questionnaire, you are at liberty to provide relevant information concerning their date of adoption, any institutional arrangements in place for their ratification, and the human and financial capacity to implement these standards.

### 3.3. PRIOR EVALUATIONS AND ASSESSMENTS

*As part of their national, regional and international obligations, as well as on a voluntary basis, countries and global organizations periodically undertake assessments on various issues in democracy and political governance. This section requires countries to report on evaluations and assessments that have been undertaken.*

- 3.3.1. **Please provide copies of any official evaluations and assessments your country has undertaken in the area of Democracy and Political Governance which may usefully assist in compiling the country self assessment.**
- 3.3.2. **Please provide copies of any other surveys or reviews in relation to the area of Democracy and Political Governance that you feel may usefully contribute to the country's self-assessment.**

### 3.4. QUESTIONS RELATING TO OBJECTIVES

<b>Objective 1: Entrenching Constitutional Democracy and the Rule of Law</b>
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Constitutional democracy and the rule of law are treated as two separate but related sub-issues in this questionnaire. On the one hand, constitutional democracy refers to constitutionally established provisions and institutions which enable citizens to enjoy their rights of freedom of membership of

political associations of their choosing and the free participation of these political groups and other associations in open political competition. On the other hand, the rule of law and the supremacy of the Constitution ensure that all individuals are subject to and treated equally according to the law, and that no one is exposed to arbitrary treatment by the state. The rule of law also means that all authorities, including armed forces and security forces must obey the law. Furthermore, the legislative Acts of government should be enacted in conformity with the Constitution which is both the supreme law at the domestic level and the foundation on which the exercise of all powers within the state is based. This also encompasses the regular organization of free and fair elections as one of the principal means for ensuring popular participation in the constitution of the government and the monitoring of its performance.

**QUESTION 1: Does the political system as practiced in your country allow for free and fair competition for power and the promotion of democratic governance?**

**INDICATORS:**

- i. The existence of individual and collective political rights, and the mechanisms and institutions to protect them;
- ii. The efficacy of legal provisions and regulations governing political associations and political parties, including:
  - membership
  - internal party democracy
  - resource allocation and financing of political parties in the country.
- iii. The capacity of political parties to provide inclusive and legitimate participation in the electoral process.
- iv. An assessment of the electoral system, with a particular focus on the independence of the election management institutions, political corruption and its effectiveness in terms of capacity to deliver results that are adjudged to be broadly free and fair;
- v. Instances of recent contentious electoral cases and how they were resolved by the courts;

**QUESTION 2: What weight do provisions establishing the rule of law and the supremacy of the constitution carry in practice?**

**INDICATORS**

- i. Whether the constitution clearly provides a fixed term or terms of office for the executive.
- ii. The existence of term limits in the constitution and a description of attempts (if any) to extend executive tenure by constitutional amendment.
- iii. The effectiveness and efficiency of adjudication and law enforcement agencies.
- iv. The accessibility (geographically and financially) of adjudication bodies such as courts and various forms of alternative dispute resolution mechanisms.
- v. The effectiveness of institutions tasked with enforcing legal provisions that establish the rule of law and affirm the supremacy of the constitution.
- vi. The extent to which security agencies are subject to the rule of law and the oversight of civil authorities;
- vii. The incentives and protections available to citizens that report official misconduct, especially the presence and effectiveness of 'whistleblower' legislation.

**QUESTION 3: To what extent does the Executive respect the rule of law?**

**INDICATORS:**

- i. The responsiveness and accountability of the executive and executive agencies between elections.
- ii. The extent to which the executive abuses its incumbency for political or economic advantage.
- iii. The extent to which the executive, in your judgment, adheres to the tenets of constitutional democracy.

**Objective 2: Upholding the Separation, Checks and Balance of Powers**

Upholding the separation of powers, including the protection of the independence of the judiciary and the fostering of an autonomous and effective parliament are also critical issues in the governance system. This objective ensures the establishment of a functioning system of separation of powers between the Judiciary, the Legislature and the Executive. The separation of power evaluates the system of checks and balances within the branches of government. An independent Judiciary gives confidence to individuals, groups and corporate entities, that their rights will be protected by the courts. It also helps to foster the kind of enabling environment that can promote economic growth and the reduction of poverty. An independent parliament that is alive to its oversight responsibilities is critical to the successful reduction of corruption and abuse of power by Africa's many over-dominant executive presidencies which tend to concentrate power in themselves.

**QUESTION 1: Does the constitution provide for the separation of powers between the Executive, the Legislative and the Judicial branches of government?**

**INDICATORS:**

- i. Constitutional and legislative provisions or conventions establishing and guaranteeing the separation of powers;
- ii. The efficacy of mechanisms (if any) to resolve conflicts between the branches of government.

**QUESTION 2: To what extent is the judiciary independent?**

**INDICATORS:**

- i. Whether the constitution or any other legislation provides adequate protections for the independence of the judiciary.
- ii. Whether the constitution or any other legislation creates an independent organ (e.g. a Judicial Services Commission) tasked with providing oversight over the judiciary – particularly over appointments and promotions, as well as complaints against judges.
- iii. Whether Judges are appointed, promoted and dismissed in a fair and unbiased manner.
- iv. Judicial decisions against governmental authorities and/or private concerns obeyed.
- v. Instances where judicial decisions awarded against government have not been enforced, or instances in which there were attempted or actual attempts to manipulate the judiciary.

- vi. Existence of financial independence of the judiciary, in terms of resource allocation free of encumbrances by the Executive.
- vii. Any other relevant circumstances.

**QUESTION 3: How would you rate the independence and effectiveness of the legislative body?**

**INDICATORS:**

- i. The constitution or any other legislation provides adequate protection for the independence of the legislature.
- ii. Instances where parliament has exercised its constitutional power successfully in checking executive abuse and holding the State accountable - (such as power to amend legislation, power of impeachment, Power of rejection of executive appointments, passing vote of no confidence)
- iii. An assessment of the extent to which the legislature is responsive and accountable to the public in between elections.
- iv. Evidence of legal provisions and resource allocation establishing the independence of the legislature; including but not limited to the initiating of bills, proposing amendments (including amendments to the budget/all revenues and expenditure, set its own budget, require reporting on actual revenues and expenditures), and opportunity to question executive action
- v. An assessment of the independence of the legislature and give details of reports to any official assessment;
- vi. A description of measures taken to strengthen and sustain the capacity of parliament and/or parliamentarians (training, evaluation, available reports, facilities for communication and analysis).

**Objective 3: Prevention and Management of Intra and Inter-State Conflicts**

This objective focuses on preventing and reducing intra- and inter-state conflicts with particular attention to the extent to which the country under review strives to sustain peace and security within its borders and to contribute to peace and stability in its neighbourhood.

**QUESTION 1: What conditions generate conflict in your country?**

**INDICATORS**

- i. Describe/expand on any of the following factors, focusing on if they have been potential sources of conflict in your country, impacting negatively on your country's peace, stability and security?
  - Inequality among groups and/or regions;
  - Competition for natural resources e.g. land;
  - Ethnic, religious and other diversities;
  - Illicit arms trade;
  - Unfair exploitation of natural resources e.g. oil & mineral;
  - Refugees and internally displaced persons;
  - Pre, during and post electoral violence;
  - Others

- ii. Describe/expand on any of the following factors, focusing on whether they account for conflict between your country and other neighbouring countries.
- Political instability/tensions;
  - Cross-border disputes;
  - Cross-border competition for natural resources;
  - Cross-border drug trafficking;
  - Others – (Please list)

**QUESTION 2: What mechanisms exist for preventing, reducing and managing conflicts in your country? How Effective are these??**

**INDICATORS:**

- Describe any legal provisions for reducing and managing conflicts when they occur
- Describe any specialized institutions established for managing conflicts in the country
- Describe the country's efforts in promoting peaceful relations with its neighbours, including but not limited to managing its borders and resolving other cross-border disputes;
- Provide instances where non-nationals of your country (Africans) have spearheaded the resolution of conflicts in your country
- Provide evidence of an early warning system and other intervention mechanisms with respect to intra – and inter – state conflicts;
- Provide evidence of measures taken to combat the illicit trade in small arms, light weapons and anti-personnel landmines in your country;
- Provide evidence of legal efforts to criminalise war crimes, and to provide penal sanctions for these offences;
- Assess the effectiveness (or, where applicable, the potential effectiveness) of traditional authorities and indigenous conflict resolution mechanisms in the management of conflicts.

**QUESTION 3: How involved are sub-regional and regional institutions in resolving intra – and inter –state conflict in your country?**

**INDICATORS:**

- Describe the activities of sub-regional and regional institutions actively involved in resolving conflicts in your country
- Assess the effectiveness of these institutions in terms of the resources (human, financial and logistics) that have been deployed in conflict resolution. To what extent are the interventions of these bodies accepted and deemed legitimate.
- Describe the challenges faced by these organizations in seeking to play a role in conflict resolution and the steps being taken to mitigate these challenges

**QUESTION 4: How involved are international organizations such as the UN in intra – and inter –state conflict resolution in your country?**

**INDICATORS:**

- i. Provide instances where the involvement of the UN has resulted in the reduction and quick resolution of conflicts in your country
- ii. Assess the effectiveness of these institutions in terms of the resources (human, financial and logistics) that have been deployed in conflict resolution in your country. To what extent are the interventions of these bodies accepted and deemed legitimate.

Suggest what these international organizations need to do differently to enhance their role in resolving conflicts in Africa

<b>Objective 4: Promotion and Protection of Civil and Political Rights as enshrined in African and International Human Rights Instruments</b>
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The promotion of cultural, civil and political liberties ensures that the integrity and rights of people are respected by the state which should also take necessary steps to protect citizens' rights from violation either by its agents and/or a third party. In this connection, the institutionalization of a system of due process involving competent judges who are able to apply the law independent of outside pressures and with impartiality is critical. Indicators related to this objective are underpinned by the principle of ensuring that the will of the people constitutes the basis of authority of the government. The popular will is measured, *inter alia*, through the right of citizens to participate directly and freely in the election of representatives and by the provision and effective enforcement of basic human rights. An effective civil society network is vital for the protection and promotion of rights. Consequently, this objective attempts to measure the vibrancy and influence of civil society.

<b>QUESTION 1: What measures have been put in place to promote and enforce civil rights?</b>
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**INDICATORS:**

- i. Identify legal provisions that recognize and guarantee basic civil rights, including but not limited to the following:
  - Right to information;
  - Freedom of association;
  - Freedom of expression and media freedom;
  - Freedom of religion;
- ii. Describe whether the government respects these rights in practice and whether there are effective tools for their enforcement.

<b>QUESTION 2: What steps have been taken to facilitate due process and equal access to justice for all?</b>
--

**INDICATORS:**

- i. Assess whether prosecutors are independent of political control and influence in practice.
- ii. Assess whether defendants have an effective right to independent, competent counsel.
- iii. Describe, where applicable, instances where an independent counsel is provided to a defendant at public expense if he/she cannot afford his/her own.

- iv. Describe the accessibility of courts and other dispute adjudication mechanisms.
- v. Describe the effectiveness of legal aid mechanisms and other structures designed to assist the indigent obtain access to the legal system.

**QUESTION 3: How vibrant, independent and influential are civil society organizations in your country?**

**INDICATORS:**

- i) Describe the legal regime governing civil society organizations in your country.
- ii) Describe any systems in place for the promotion and protection of civil society organizations.
- iii) Outline any mechanisms, policies or process currently in place which permit or obstruct civil society input in policy making and implementation.

**QUESTION 4: To what extent does the state respect and protect the Access to Information rights of citizens?**

- i. The existence of constitutional or legislative structures providing for citizens rights to information.
- ii. The effectiveness of right to information statutes or constitutional provisions, as measured by:
  - the number of requests are made for information under RTI provisions;
  - the quality of available government records that can be requested under RTI provisions

**Objective 5: Ensuring Accountable, Efficient and Effective Public Service Delivery at the National and Decentralized levels**

This objective touches on procedures that are designed to ensure the continuous accountability of officials, elected as well as non-elected, to the public. The questions that have been included on this issue seek to ensure that public office holders and civil servants are accountable, efficient and effective. The indicators under this objective are meant to establish the quality of service delivery and ensure the accountability of public officials to citizens. Good public service delivery enables citizens to express their views on the performance of the government, and to hold civil servants accountable for their actions. Constitutional democracy also requires empowering people at the grassroots level through the decentralization mechanism that allows local communities to participate in decision-making affecting their destiny.

**QUESTION 1: What measures have been taken in the country to strengthen institutions for an efficient and an effective public service?**

**INDICATORS:**

- i. Details of legal provisions, institutions and resource allocation for an efficient and effective civil service

- ii. Evidence of administrative reform to improve public service delivery and measures taken to sustain progress;
- iii. Evidence to support your assessment including any official report on the efficiency and the effectiveness of public service delivery
- iv. Whether or not there is an independent public services commission or the existence of an independent authority responsible for promoting and sanctioning key public servants in key public sector institutions
- v. Evidence of provision of resources and training of public servants
- vi. The presence of mechanisms for appraising and sanctioning the performance of public servants. Provide instances where sanctions have been applied leading to dismissals
- vii. Description of any demand side accountability mechanisms for civil servants.

### **QUESTION 2: What is the state of corruption in the public sector?**

#### **INDICATORS**

- i. Assess whether public officer anti-corruption tools (such as asset declaration regimes) and anti-corruption institutions are fully in place and are effective.
- ii. Describe any legal or political penalties for public office holders, both elected and appointed, including civil servants who abuse their positions and any conflict of interest rules
- iii. Provide instances where public office holders have been punished for abuse of office for pecuniary gain over the past five years.
- iv. Give details of the major cases of alleged corruption prosecuted and disciplinary sanctions taken over the past five years

### **QUESTION 3: What efforts, if any, have been made to empower local or rural communities through the devolution or decentralization of political power, judicial authority or financial resources?**

#### **INDICATORS**

- i. The effectiveness of the current system of devolution of power to local authorities. Describe whether it enhances or hinders service delivery and whether or not it promotes greater accountability between government and citizens
- ii. Whether traditional authorities consulted or in any way incorporated into the system of government at the local levels and does the incorporation of traditional authorities enhance or hinder accountability or service delivery at the local government level.

### **Objective 6: Promotion and Protection of the Rights of Women**

The concern here is to ensure that women have a meaningful status in the country and to explore the frameworks necessary to further deepen their participation - political, economic, cultural and social. The indicators also seek to encourage governments to provide evidence of women's empowerment in the domain of access to and control of productive resources and services, as well as their role in decision-making, including conflict prevention and resolution. Issues pertaining to women's rights

which are not covered under this objective are treated exhaustively in the economic governance and socio-economic development sections of the questionnaire

**QUESTION 1: What measures have been taken to promote and protect the rights of women in the country?**

**INDICATORS:**

- i. Details of the legal provisions that articulate and guarantee the rights of women;
- ii. Details of mechanisms to enforce the rights of women, including but not limited to:
  - Resource allocation for gender based workplace initiatives, including affirmative action and anti-sexual harassment and gender based work place discrimination.
  - Policy initiatives and institutions to address issues relating to the assault and sexual violence against women and girl children
  - The status of reporting obligations to United Nations and African Union agencies on progress made towards the enforcement of gender based conventions and protocols.
- iii. An assessment of the overall effectiveness of the above measures and outline the challenges faced;

**QUESTION 2: What measures have been put in place to enhance the role of women in the democratic process and in the governance of your country?**

**INDICATORS:**

- i. Evidence of any legal provisions, institutions, national or local programs or policies to enhance women's role in society, including participation in politics and leadership positions;
- ii. Evidence of the number and percentage of women appointed over the past 5 years to decision-making positions, including the number of women elected to the parliament, the executive, the judiciary and local authorities
- iii. Describe the challenges faced and measures taken to sustain progress.

**Objective 7: Promotion and Protection of the Rights of Children and Young Persons**

This objective aims to address, among other things, the legal, policy and institutional protections against rights violations against children as efforts to institute policies centred on the promotion of the best interest of the child. The focus of the Objective should be an evaluation of efforts by the state to introduce and enforce measures designed to protect and promote the rights of children.

**QUESTION 1: What concrete measures have been taken to promote and protect the rights of children?**

**INDICATORS:**

- i. Details of legal provisions, measures and policies that promote and protect the rights of children and young persons including but not limited to:
  - Legislation and policy initiatives promoting their rights to health education
  - Custody and guardianship
  - Measures against all types of child abuse including but not limited to child trafficking, labour, prostitution and pornography, as well as the compulsory and voluntary recruitment of minors into military service;
  - Protection of children, particularly the girl child, from harmful social and cultural practices.
  - The introduction of effective, reform oriented juvenile justice measures.
- ii. Assess the effectiveness of these measures in terms of trends in the overall improvement of the status of children and young persons in the country over the past five years;
- iii. Provide evidence of measures taken to sustain progress (training, monitoring, follow up actions, adjustment, reports available).

**QUESTION 2: What concrete measures have been taken to promote and protect the rights of the Youth?**

**INDICATORS:**

- i. Details of legal provisions, measures and policies that promote and protect the rights of young persons including but not limited to:
  - Legislation and policy initiatives taken to give effect to the provisions of the African Youth Charter
  - Legislative and policy initiatives that promote the participation of the youth in the political process.
  - Mechanisms to promote a culture of peace and tolerance amongst young people that discourages their participation in acts of violence, terrorism, xenophobia, racial discrimination, gender-based discrimination, foreign occupation and trafficking in arms and drugs;
- ii. Assess the effectiveness of these measures in terms of trends in the overall improvement of the status of young persons in the country over the past five years;

Provide evidence of measures taken to sustain progress (training, monitoring, follow up actions, adjustment, reports available).

**Objective 8: Promotion and Protection of the Rights of Vulnerable Groups, including Internally Displaced Persons, Refugees and Persons with Disabilities.**

This objective aims to address the existence and efficacy of the legal and institutional protections of the rights of vulnerable groups, including internally displaced persons, persons with disability, persecuted ethnic/religious minorities and refugees. The questions also address issues relating to the rights of displaced persons, refugees and Persons with Disabilities.

**QUESTION 1: Identify vulnerable groups in your country and outline measures your country has taken to promote and protect the rights of permanently disadvantaged or vulnerable groups including, but not limited to, Internally Displaced Persons, refugees and Persons with Disabilities?**

**INDICATORS:**

- i. Legal provisions, policies, institutions and resource allocation in place to promote and protect the rights of groups with long term or permanent vulnerabilities, including rehabilitation programs, health, education, housing and initiatives to integrate such vulnerable groups to the mainstream society;
- ii. Assess the effectiveness of the measures and give details of any violation and reports available;
- iii. Provide details of the measures taken to sustain progress (monitoring, training, evaluation and adjustment).

## CHAPTER 4

### 4. ECONOMIC GOVERNANCE AND MANAGEMENT

In the Declaration on Democracy, Political and Economic Governance, African countries recognise that "good economic governance including transparency in financial management are all essential prerequisites for promoting economic growth and reducing poverty".

In this line, therefore Economic Governance and Management is to be understood as referring to the broad national economic policy framework, the institutions, processes and practices in place that are aimed at facilitating, supporting or otherwise promoting an economic climate that encourages growth, poverty reduction and the general welfare of the citizens.

The following are the objectives of the APRM under this Theme:

1. Design and implement economic policies for sustainable development
2. Encourage ownership and participation of key stakeholders in policy formulation and implementation
3. Promote sound public finance management
4. Fight corruption and money laundering
5. Accelerate and deepen regional integration in the monetary, trade and investment domain
6. Develop and implement trade and investment policies that promote economic growth

## 4.1 Conceptual Framework

In the AU Declaration on Democracy, Political and Economic Governance, African countries recognise that the principles of “good economic governance including transparency in financial management are all essential prerequisites for promoting economic growth and reducing poverty”. Therefore the establishment and consolidation of strong economies that can produce the wealth needed for investment in infrastructure and profit-making enterprises is fundamental. It is also equally important that such economies are organised and managed so as to ensure that the benefits of their expansion are broadly distributed across the population on a sustainable basis, taking into account the needs of both society and the environment. To achieve these outcomes, appropriate governance interventions are necessary, including the creation of an economic policy environment that encourages growth, investment and regional integration, and whose ultimate object is the transformation of the lives of all the citizens for the better.

While Economic Governance and Management should be understood as multi-pronged, this theme focuses on the actions, policies and programmes that the relevant economic authorities (in particular, the state, regulatory agencies, and to a lesser extent businesses and business organisations) are adopting and implementing in managing the economy. This is done with an understanding that a dynamic economy is not sufficient in itself; that it must be complemented by appropriate systems and institutions that ensure the smooth functioning of markets, the combating of corruption, the regulation of capital flows and the equitable distribution of wealth to meet the needs of the people. In addition, the full and meaningful involvement of the citizens in the conceptualisation, formulation and implementation of these policies is a central principle that promotes shared ownership of the economy. This in turn is a major factor in ensuring success and growth. This Economic Governance and Management assessment therefore looks at the state of countries’ economies, beginning with the overall policy trajectory or vision, and the principles that underlie it.

### General Guidance

Where the material under review in this Theme intersects with that of another Theme, respondents are advised to think about the strictly economic, as opposed to the social political or other dimension of the issue. In general, the questions follow one of two dimensions: **an investigative dimension**, which looks for information as it exists; and **an interpretive dimension**, which asks for the views of respondents. Respondents are encouraged to supply their opinions on these matters and to supply whatever evidence they may have to support their contentions.

## 4.2 Standards and Codes

An important aspect of the assessment is adherence of countries to a set of agreed standards and codes of practice that embody the objectives and aspirations of what the APRM seeks to help them achieve under this Theme. These are embodied treaties, conventions and other codes (regional, continental and international) that commit countries to legislate, promulgate policies or otherwise act to promote the objectives of Economic Governance and Management. The purpose of this section therefore is to assess the agreements to which countries have adhered to (acceded and/or signed, ratified, translated and integrated into their national legal and policy instruments) and are implementing (including reporting on) these agreements.

4.2.1 Please complete the Check List below, indicating the date and place of signature, ratification and enactment/implementation of any of the listed standards and codes where applicable. Where a standard or code has been enacted with reservations, please indicate this and provide details of the reservations.

### Standards that need signing and/or ratification

Standards and Codes	Adopted/ Signed (include date)	Ratified	Enacted	Date last reported	Reservations/ Notes
AU Convention on Preventing and Combating Corruption (2003)					
UN Convention against Corruption (2003)					
UN Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997)					
AU Abuja Treaty establishing the African Economic Community (1994)					
AU African Charter on Statistics (2000)					
<b>OTHER APPLICABLE INTERNATIONAL OR REGIONAL TREATIES AND CONVENTIONS</b>					
1.					
2.					

### Standards that do not need ratification and Accepted Best Practices

Standards and Codes	Adopted	Notes
Best Practices for Budget Transparency (2002)		
Revised Code of Good Practices on Fiscal Transparency (2007)		
Guidelines for Public Debt Management (2003)		
Code of Good Practices on Transparency in Monetary and Financial Policies: Declaration of Principles (1999)		
Core Principles for Systemically Important Payment Systems (2001)		
Special Recommendations on Terrorist Financing, and the Forty Recommendations (2004)		
Core Principles for Effective Banking Supervision (2006)		
Anti-Bribery Convention (1999)		
Extractive Industries Transparency Initiative		
Stolen Assets Recovery Initiative		
International Standards on Auditing		
Insurance Core Principles and Methodology (2003)		
Guidelines for Corporate Governance of State-Owned Enterprises (2005)		

Principles of Corporate Governance (2004)		
<b>OTHER APPLICABLE INTERNATIONAL OR REGIONAL PROTOCOLS</b>		
1.		
2.		

4.2.2 For the standards and codes that have not been signed, ratified or enacted/implemented, outline the obstacles faced and any steps being taken to sign, ratify, enact/ implement such standards? Indicate other legislative or regulatory instruments that are in place for achieving similar objectives. Respondents should identify and focus on codes that are particularly relevant within their country's political and social contexts, especially on African standards and codes.

4.2.3 What enforcement mechanisms and reporting structures are available in respect of standards and codes that have been ratified. Outline where applicable, efforts or progress to ensure compliance with the relevant standard or codes. Respondents should identify and focus on codes that are particularly relevant within their country's political and social contexts, especially on African standards and codes.

4.2.4 If not already discussed, describe any legislation, policy or governmental actions that violate any of the listed standards and codes and describe.

### 4.3 Prior Evaluations and Assessments

*As part of their national, regional and international obligations, as well as on a voluntary basis, countries and global organizations periodically undertake assessments on various issues such as the financial sector, governance, investment climate and doing business surveys. This section requires countries to report on evaluations and assessments that have been undertaken.*

4.3.1. **Please list any official evaluations, surveys, reviews and assessments for your country in the area of *Economic Governance and Management* (local, regional and International) which may usefully assist in compiling the country self assessment report e.g. World Bank Reports on Observance of Standards and Codes: Corporate Governance, Doing Business reports.**

4.3.2. **Please provide copies of any of the above that you feel may usefully contribute to the country's self assessment.**

### 4.4 Questions Relating to Objectives

**Objective 1: Design and implement economic policies for sustainable development**

Sustainable Development means that economic growth and expanded opportunities to create wealth, generate employment and raise living standards are achieved without excessive costs to the environment, to the economic fundamentals or to the population, and that this growth can continue in the long term. It is therefore important that economic policies are formulated and implemented in this light.

**QUESTION 1: Describe the economic vision/policy of the country. What are the key challenges in realising this economic vision?**

*Please assess the economic policy of your country in this light, providing reference to any evidence that you may have. Specifically, you are asked to assess the soundness of the economic policy of your country in terms of its support to sustainable development.*

**INDICATORS**

Main macroeconomic indicators over the past 5 years, including

- Average trends in inflation
- Real GDP and GNP growth per capita
- Fiscal deficit to GDP
- Debt servicing ratio to revenue, share of domestic debt to total debt, total debt to exports, total debt to GDP
- Share of total budget allocated to social sectors
- Average fiscal deficit financed by the Central Bank
- Average credit to both private and public sectors
- Unemployment

**QUESTION 2: What sectoral economic policies has your country developed and implemented to promote economic growth and sustainable development in the past 5-10 years and what has been their effectiveness?**

*Describe policies that have been developed and implemented in the country's major sectors of the economy (primary, secondary and tertiary sectors). The economic policies could cover the following sectors (examples):*

- Industrial policies
- Commercial policies
- Banking and financial intermediation policies
- Mining policies
- Service and retail industry policies
- Agricultural policies
- Extractive industries (mining sector)

*Assess the effectiveness of these sectoral policies in relation to the following*

- The policy stated goals
- Gender empowerment
- Creating employment
- Encouraging sectoral growth

- Increasing sectoral sustainability
- Improving food security (where appropriate)
- Improving access to market (through improved infrastructure and trade-related interventions)
- Enhancing economic linkages
- Fostering local processing and value addition
- Promoting economic diversification and economic structural transformation
- Boosting technology transfer and skills formation
- Strengthening R&D and Science, Technology and Innovation

*Describe policies and measures taken for economic diversification and assess their effectiveness*

### INDICATORS

- Output of key economic sectors
- Sectoral output indicators

**QUESTION 3: Elaborate on measures taken to address the challenges encountered in implementation including the Monitoring and Evaluation of progress.**

*Please describe the processes, institutions and practices in place for tracking, monitoring and evaluating the implementation and effectiveness of economic policy.*

### INDICATORS

- Existence of economic development planning legislation and an institution
- M&E frameworks, institutions and processes
- M&E reports
- Use of M&E recommendations in policy formulation/reform

**QUESTION 4: How accurate have Government's economic projections been in the past?**

*Please assess the accuracy of the government's economic projections and give reasons for any discrepancies*

### INDICATORS

- Real vs. projected GDP figures
- Trade balance
- Projections of key economic targets:
  - Inflation
  - Employment
  - National debt
  - Government revenue

**QUESTION 5: To what extent is your country affected by internal and external economic shocks?**

*Describe the prevalence, magnitude and origin (internal and external) of shocks experienced to the economy with reference to the listed indicators. Also describe and assess the effectiveness of steps taken to reduce your country's vulnerability to economic shocks.*

**INDICATORS**

Macroeconomic indicators, including

- Terms of trade
- Changes in net foreign assets
- Changes in inflation rates
- Changes in economic growth rates
- Foreign exchange reserves and degree of dependence on these
- Exchange rate volatility
- Value of remittances

**QUESTION 6: What are the major development initiatives undertaken to improve the energy, services, transport and communication infrastructure in your country?**

*Describe the main infrastructure development initiatives undertaken in your country. Specifically, the following sectors should be covered:*

- Energy supply
  - Electricity, oil, natural gas and renewable energy supplies (solar or wind power)
- Transport
  - Road networks and bridges
  - Human and freight transport systems (public, commercial and private)
  - Shipping and harbors
  - Railway networks
- Services
  - Supply of clean water
  - Sanitation (sewage and waste management) system
- Communications
  - Telephone networks (including cellular/mobile telephones)
  - Internet networks
  - Postal services

## INDICATORS

Statistics showing availability and coverage of infrastructure

**Objective 2: Facilitate the participation of key stakeholders in policy and programme discussion and implementation**

The success of policies rests in large part on the degree to which they are internalised and owned by citizens. Therefore it is important that policies are designed and implemented with the widest participation and active support of all stakeholders.

**QUESTION 1: Describe the key institutions, stakeholders and processes for making economic policy in your country.**

*Describe the institutional processes and forums for various stakeholder categories to participate in the formulation and implementation of economic policy in your country. Among the key stakeholders identified you should include*

- The public sector (government)
- The private sector
- Civil society

## INDICATORS

- Main economic policy-making bodies and institutions
- Processes and forums for consultation and participation (including legislative provisions)

**QUESTION 2: To what extent does your country make use of outside advice, analysis or expertise in formulating economic policies?**

*Giving references, describe the major outside analyses that have been produced about your country's economic policies, and assess how much of these is reflected in ultimate policies adopted.*

The question seeks to identify BOTH whether government uses the analyses of professional outside bodies and whether these analyses and advices are included in economic policies.

## INDICATORS

- Evidence of reliance on expertise, including
  - Local expertise vs. external expertise
  - Government expertise vs. outside expertise

**QUESTION 3: What key institutions are responsible for producing national economic data and statistics? What measures are in place to strengthen their capacity?**

*Identify and briefly describe the roles and mandates of national institutions responsible for the production of national aggregate economic information in your country?*

**INDICATORS**

- Institutions
- Legal/institutional framework

*Describe and assess the effectiveness of the most important capacity-building programmes and strategies adopted and implemented to enhance the capacity of your country to produce accurate economic data for planning purposes*

**INDICATORS**

- Personnel trained
- Infrastructure
- Budgetary allocation for capacity building programmes
- Equipment acquires
- Staff skills data

**Objective 3: Promote sound public finance management**

The management of public finances has to be accountable, transparent and efficient in order to achieve the desired effect on both the economy and public's trust in the institutions of state.

**QUESTION 1: What has your country done to promote sound public finance management?**

*Outline key measures taken (in terms of legislation, policies and programmes, institutional development and resource allocation) to implement a predictable long- and medium-term fiscal framework.*

**INDICATORS**

- Use of accepted (regional or international) accounting standards
- Internal audit (use of internal auditors in government departments and services)
- Auditor General Reports
- Timely publication of fiscal information

- Parliamentary scrutiny (Committee on Public Accounts)

**QUESTION 2: To what extent is your country's fiscal system decentralized?**

(i) Describe (briefly) the legal provisions and policies establishing a system of decentralisation between national and sub-national authorities in your country.

(ii) Assess the effectiveness of this system with respect to the following:

- Degree of consistency of policies and programmes initiated by local authorities with the development challenges of the particular geographical area,
- Capacity of local authorities to raise revenue from their constituencies (e.g. Tax collection, levies, fines, etc)
- Capacity of local authorities to manage fiscal resources, and plan and implement economic policies;
- Percentage of local expenditures met from resources mobilized locally

(iii) List the key challenges encountered by your country in implementing an effective system of decentralisation.

**QUESTION 3. What are the main challenges your country faces in adopting and implementing a predictable medium-term fiscal framework and what are the measures to mitigate these challenges? How successful have these measures been?**

*Describe the process by which public finances are managed, and by which multi-year budgeting is developed (for example through a medium-term expenditure framework (MTEF)) and any problems in formulating and implementing such a framework consistently. Describe the solutions implemented or proposed to overcome such challenges. Assess the effectiveness of implementation and the remaining gaps and shortcomings. If the country does not use a medium-term fiscal framework, what are the reasons for this and what measures are proposed to address obstacles?*

## INDICATORS

- Relevant legislation and policy documentation on public finance management and fiscal management, and any assessments on the effectiveness of such legislation and documentation
- National and departmental budgets and medium-term expenditure frameworks
- Use of accepted (regional or international) accounting standards
- Internal audit (use of internal auditors in government departments and services)
- Auditor General Reports
- Timely publication of fiscal information
- Parliamentary scrutiny (Committee on Public Accounts)

**QUESTION 4: How is the tax system in your country structured and administered?**

*Describe and assess the effectiveness of the tax system in your country, including*

- The institutional and legal arrangements in place for tax determination and collection
- Types of taxes raised and their sources
- Tax breaks and incentives for compliance

**INDICATORS**

- Tax revenue figures
- Compliance rates per tax category and source

**QUESTION 5: What measures has your country taken to increase domestic resource mobilisation including public and private savings and capital formation, and to reduce capital flight?**

*Outline and assess the effectiveness of measures taken in terms of legislation, policies, programmes and institutional development to promote domestic resources mobilisation, and deepen financial intermediation. Your assessment should be with respect to the listed indicators*

**INDICATORS**

- Fiscal Revenue/GDP
- Average private and public saving GDP ratio over the past 5-10 years
- Capital formation GDP ratio for the past 5-10 years
- Share of population with access to finance, including micro-finance, and saving facilities
- expenditure/under-expenditure ratios
- Earnings from mining/GDP
- Oil revenue/GDP (Oil producing countries)

*Outline the key challenges in this regard and the steps taken to address any shortfalls.*

**QUESTION 6: What other resource flows are important for your country? How important are remittances to the country's economy?**

*Describe and assess the importance of other resource flows for your country*

**INDICATORS**

Statistics showing trends and rates of revenue from different sources for state revenue in the past 5-10 years, including:

- Royalties (local and international)
- International grants
- International loans (commercial and concessional)
- Other forms of remittances (including from nationals in the Diaspora)

**Objective 4: Fight corruption and money laundering**

Corruption erodes the effectiveness of policies and programmes, as well as the trust of the public in institutions of governance. It further constitutes a drain on the meagre resources of the state and the overall economy. Therefore it is important to eradicate corrupt practices in the management and administration of public resources and institutions.

While corruption is a Cross-Cutting Issue throughout this Questionnaire, the purpose of this section is to focus on corruption in public procurement, whereby both public and private actors involved in the procurement process may be tempted to divert public funds, goods or services for their personal use.

‘Money laundering’ can be defined as a process where proceeds of a criminal activity are disguised to conceal their origin. By so doing, criminals introduce their dirty money in the financial sector, which enables them to avoid prosecution, conviction and confiscation of their criminal proceeds.

**QUESTION 1: What measures have been taken by your country to fight corruption in public procurement and with what results?**

*Describe policy and regulatory measures as well as institutional establishments in place to improve transparency and integrity in government procurement*

**INDICATORS**

Statistics on the following for the last 5 years:

- Cases of corruption in the public procurement
- Numbers of public and private actors investigated, prosecuted and convicted of corruption
- Cases of stolen assets recovered
- Existence of public procurement laws

**QUESTION 2: What are the main forms of money laundering prevalent in your country? What measures have been taken by your country to fight money laundering? With what success?**

*Describe the measures (including institutions, legal provisions and regulations) to prevent, detect and punish corruption in the public sphere. Also assess and explain the effectiveness of these measures. In doing this you may wish to consider special laws and institutions on “money laundering,” which countries have in addition to anti-corruption laws and measures. These include the following preventive and criminal laws:*

- Preventive measures against money laundering
- Anti money laundering legislation (some African countries have adopted international standards)
- Capacity and expertise of agencies to counter money laundering
- Regional cooperation on anti money laundering

The following are examples of money laundering:

- Tax evasion
- Heist money
- Organized crime money (terrorists and drug traffickers)
- Fraud
- Embezzlements

#### **INDICATORS**

- Case of reported money laundering
- Value of money laundering transactions reported
- Cases investigated, prosecuted and convicted of money laundering

**Objective 5: Accelerate and deepen regional integration in the monetary, trade and investment domain**

The harnessing and strengthening of inter-country economic complementarities is recognised as one of the pillars of economic growth. Therefore it is important that African countries design and implement policies that facilitate the deepening and acceleration of regional economic integration.

**QUESTION 1: What regional economic organizations is your country a member of and what are the advantages?**

*Identify regional economic organisations, including trade, monetary and other groupings that aim at integration and harmonisation among their members (countries), which your country has joined*

#### **INDICATORS**

- Flows of intra regional trade
- Mobility of good and persons

- Facilitation of financial transactions
- Bilateral economic treaties, protocol, and MoUs

**QUESTION 2: In which areas and to what extent have your country's economic policies been harmonized with those of the RECs you have identified?**

*Describe the operational areas of the economy that have been harmonised in line with regional economic organisations including trade, monetary and other groupings, as well as treaties dealing with economic matters among more than two countries, of which your country is a member.*

#### INDICATORS

- Number of protocols/agreements establishing economic harmonisation
- Policy, legal and monitoring instruments/documents

**QUESTION 3: What are the challenges facing your country in the various RECs it is a member of? How can they be addressed?**

*Describe and assess major regional economic initiatives, treaties and other arrangements entered into by your country in terms of whether these have led to the advancement of the country's stated policy objectives*

#### INDICATORS

- Progress reports on regional integration
- Sectoral integration analyses

**QUESTION 4: To what degree are informal cross-border economic transactions important to your country's economy?**

*Describe the incidence, manifestation and significance of unregulated and informal trade, currency use and exchanges to the livelihoods of communities involved, particularly in situations where no formal, government-to-government arrangements facilitating these exist.*

#### INDICATORS

- Estimates of volumes of cross-border informal trade

**Objective 6: Develop and implement trade and investment policies that promote economic growth**

Trade and investment are recognised as key drivers of economic growth. It is therefore important that African countries develop and implement policies that encourage, protect and stimulate investment (local and foreign) and trade in order to accelerate economic growth.

**QUESTION 1: To what extent are your country's investment policies facilitative of economic growth?**

*Describe the investment policy framework of your country, including but not limited to:*

- The principles underlying investment policies
- Policies on national ownership
- Investment strategies and instruments, priorities areas
- Laws and regulations

**INDICATORS**

- Antimonopoly policies
- Index of economic freedom
- Costs of conducting business
- Licensing procedures
- Investor tax incentives
- Access to resources
- Labour laws
- Financial market regulation
- Infrastructure
- Preferential economic policies e.g. Export Processing Zones
  - FDI figures
  - Flows of domestic investment
  - Property rights regimes
  - Ease of doing business index

*Describe the regularity/frequency with which investment policies are reviewed. What drives these revisions? Assess the effectiveness of investment policies.*

**INDICATORS**

- Enforcement of contracts
- Proportions of FDI to domestic involvement in different sectors
- EPZ and tax concessions
- Infant industry policies

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*Assess the effectiveness of institutions and processes in place to safeguard investments and arbitrate investment related disputes.*

#### **INDICATORS**

- Specialized commercial courts
- Decisions of specialized commercial courts
- Evidence of intervention by regulatory authorities

**QUESTION 2: To what extent do investment authorities in your country coordinate, exchange information and work with counterparts in other countries?**

*Describe and assess international coordination and cooperation arrangements between investment authorities/bodies in your country and similar authorities internationally*

#### **INDICATORS**

- International cooperation agreements and practices
- Decisions of international investment arbitration bodies relating to your country
- Legal actions taken on the basis of decisions of international investment arbitration bodies

**QUESTION 3: To what extent are your country's trade policies facilitative of economic growth?**

*Describe the trade policy of your country, including but not limited to*

- The overall aims of trade policies
- Trade agreements and support institutions

#### **INDICATORS**

- Trade policies
- Licensing procedures
- Commercial regulations
- Labour laws
- Financial market regulation
- Preferential economic policies

**QUESTION 4: What measures has your country taken to promote trade with other countries, in particular intra-regional trade? How successful have these measures been?**

*Describe and assess the performance of trade support and promotion institutions, policies and strategies adopted by your country*

### **INDICATORS**

- Trade figures per economic sector
- Trade figures per region
- Enforcement of contracts
- Proportions of FDI to domestic investment in different sectors
- EPZ and tax concessions
- Infant industry policies

**QUESTION 5: What is the size and significance of the extractive industry sector (mining and quarrying, including oil) in your country?**

*Describe the extractive industry sector in your country and comment on its importance to the economy*

### **INDICATORS**

- EI economic indicators

**QUESTION 6: What are the measures taken by your country to regulate and promote the governance of extractive industries?**

*Describe and assess institutions, policies and programmes to regulate and promote the governance of extractive industries in your country.*

### **INDICATORS**

- EI institutional, legal, regulatory, and contractual framework
- EITI regulations and laws
- ICMM Sustainable Development Framework
- EI title management process transparency indicators
- Number and size of disputes related to title management and security of tenure
- Level of public participation principles into mining policies, laws, and regulations
- Involvement of local communities in the approval, planning, implementation, and monitoring of mining projects
- Existence of national oversight bodies
- Existence of empowerment frameworks including for communities which are directly affected by mining
- Establishment of natural resources intergenerational funds Non-renewable Resource Funds (NRFs) (where applicable)

- 
- Extent to which extractive industries sector is integrated in other national development plans and strategies
  - Environment Impact Assessments
  - Adoption of international taxation standards

## CHAPTER 5

### 5. CORPORATE GOVERNANCE

#### Definition

Corporate Governance means ‘leadership, sustainability and corporate citizenship’.

The definition of corporate governance in Africa has evolved from the narrow definition of ‘a system by which companies are directed and held to account, to one that defines corporate governance as leadership, sustainability and good corporate citizenship (King III September 2009). Despite the use of the word corporate, more and more countries are applying corporate governance principles to all entities regardless of the manner and form of establishment and whether they are in the public, private and not-for-profit sectors.

There are five objectives for corporate governance under the APRM, and they are the following:

- Promoting an Enabling Environment and Effective Regulatory Framework for Business organisations and other entities
- Ensuring Effective Leadership and Accountability of Organisations
- Ensuring Ethical Conduct Within Organisations
- Ensuring that Organisations Treat Stakeholders Fairly and Equitably
- Ensuring that Organizations Act as Good Corporate Citizens

## 5.1 Conceptual Framework

The vision of NEPAD is to eradicate poverty and place African countries individually and collectively on the path to sustainable growth and development. This calls for sustainable production and creation of wealth through well-governed and competitive organisations whether they are in the private, public or not-for-profit sectors.

In 2002, the African Union via NEPAD adopted the Declaration on Democracy, Political, Economic and Corporate Governance. This document includes a definition of corporate governance: 'Corporate Governance is concerned with the ethical principles, values and practices that facilitate holding the balance between economic and social goals and between the individual and communal goals. The aim is to align as nearly as possible the interests of individuals, corporations and society within a framework of sound governance and common good.'

This definition rejects the traditional 'shareholder value approach' to corporate governance which is adopted in developed countries, such as the UK and the US, in favour of a 'stakeholder inclusive' approach. This 'stakeholder inclusive' approach has also been adopted by the King Reports in South Africa and the Malawi Code II.

In the 'stakeholder inclusive' approach:

- a. Boards should consider the legitimate interests and expectations of stakeholders on the basis that this is in the best interests of the organisation in the long-term, and not, as in the traditional 'shareholder value' approach, merely as an instrument to serve the interests of shareholders, (maximisation of shareholder wealth and investor protection).
- b. Shareholders do not have any predetermined precedence over other stakeholders. The 'best interests of the organisation' are defined not in terms of maximizing shareholder wealth and protecting investors, but within the parameters of the organisation as a sustainable enterprise and as a corporate citizen.
- c. Corporate social responsibility, environmental issues and ethics are, therefore, included within the definition of corporate governance rather than being complementary disciplines as in the 'shareholder value approach'.
- d. Corporate governance is also applied to all types of organisations whether they are in the private, public and not-for-profit sectors.

Evidence is mounting that the adoption of good corporate practices across all three sectors (private, public and not-for-profit) combined with good governance in those other areas covered by the APRM leads to improved sustainable performance not just within the organisations but also for the country as a whole. This forms the rationale for the standards and codes and objectives adopted to guide corporate governance reform in Africa under the APRM.

Good corporate governance has eight distinguishing characteristics: discipline, transparency, independence, accountability, responsibility, fairness, ethical conduct and good corporate citizenship. These traits are important because as they lead to better performing organisations which are sustainable in the long-term. This in turn leads to economic development as these organisations contribute more to the economy and to society as a whole directly through the wages, salaries and taxes they pay, and indirectly through the money they pay their supply chain, the vendors, retail outlets, service and training firms and resellers of their products and services.

Good corporate governance should apply to all forms of organizations on the continent as many organisations in the public and not-for-profit sectors are the main economic, advocacy and service

delivery vehicles. To apply the concepts of good governance to just the private sector would therefore not bring the widespread improvement aimed for.

Most economies in Africa rely on agriculture, mining and other extractive industries that potentially may have adverse effects on the environment. Organisations should conduct their operations in a manner that meets existing needs without compromising the ability of future generations to meet their needs. It means having regard to the impact that the organisation's operations have on the environmental, economic and social life of the community in which it operates. In addition subject poverty, hunger and the scourge of pandemics such as HIV/AIDS, Malaria and Tuberculosis afflict many of African communities. An organisation as well as an economic entity is also a citizen of its country of operation and as such, has a moral and social standing within that society, with all the responsibilities attached to that status. It should act as society would expect any good citizen.

Good corporate governance can also make it easier for organisations to raise capital and finance investment. Banks and investors have more confidence in organisations with good governance. It is hoped that improved corporate governance in all forms of organisations in Africa especially when done in the context of wider economic and systemic governance will enhance the confidence of financial institutions and investors both domestic and foreign.

## 5.2 Standards and Codes

This section seeks to assess not only the level of adoption of international corporate governance standards and codes but also the extent to which universal codes governing corporate behaviour have been adopted and domesticated. In addition, the section will include an assessment on the development of local standards at both country and regional level.

When assessing the Standards and Codes, the assessor should only assess those elements of the standards and codes that relate to corporate governance. The other elements of the standards and codes will be dealt with under the other thematic areas such as Economic Governance and Management.

**QUESTION 1: To what extent has your country taken measures to adopt, sign/ratify, enact and implement the standards and codes listed below?**

### INDICATORS

- 5.2.1 Please complete the Check List below, indicating the date and place of signature, ratification and enactment/implementation of any of the listed standards and codes where applicable. Where a standard or code has been enacted with reservations, please indicate this and provide details of the reservations.

#### STANDARDS AND CODES THAT NEED SIGNING AND/OR RATIFICATIONS

Standards and Codes	Adopted / Signed (include date)	Ratified	Enacted	Date last reported	Reservations /Notes
<b>Labour</b>					
(1)	Worst Forms of Child Labour Convention (1999) ILO				
(2)	Minimum Age Convention (1973) ILO				
(3)	Discrimination (Employment and Occupation) Convention (1958) ILO				

(4)	Abolition of Forced Labour Convention (1957) ILO					
(5)	Equal Remuneration Convention (1951) ILO					
(6)	Right to Organize and Collective Bargaining Convention (1949) ILO					
(7)	Freedom of Association and Protection of the Right to Organize Convention (1948) ILO					
(8)	Forced Labour Convention (1930) ILO					
<b>Extractive Sector</b>						
(1)	Extractive Industries Transparency Initiative					

#### STANDARDS THAT DO NOT NEED RATIFICATION

Standards and Codes	Adopted	Notes
<b>Accounting and Financial Reporting</b>		
International Standards in Auditing - The Handbook of International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements (2010) International Federation of Accountants (IFAC)		
International Financial Reporting Standards (IFRS) (2001) IASB (and updates to 2010)		
Any other Accounting Standards		
<b>Codes on Industrial Safety</b>		
Codes on industrial Safety and Hygiene, WHO		
<b>Other Codes and Standards*</b>		

\*For example:

- The African Convention on the Conservation of Nature and Natural Resources,
- The UN Convention to Combat Desertification ratified by....
- The Kyoto Protocol to the UN Framework Convention on Climate Change, ratified by....
- Present evidence of signature, ratification, adoption, enactment and implementation for each standard and code as and when applicable, in an annex to your report.

5.2.2 For those standards and codes which have been implemented please provide an assessment of the impact that they have had to date on the economy of your country.

5.2.3 For the standards and codes that have not been signed, ratified, adopted, or enacted explain your country's current position in relation to these standards and codes with justifications.

5.2.4 If your country's approach is to sign, ratify, adopt, enact or implement any of the above standards and codes but you are facing certain obstacles, please outline them and any measures that are being taken to address those obstacles.

5.2.5 Describe the measures that have been taken to ensure that organizations report on adoption/implementation of the above standards and codes within their organizations

5.2.6 Describe the compliance (including compliance incentives such as tax incentives) and enforcement mechanisms which are available in your country with regard to the above standards and codes

5.2.7 Where applicable, describe the extent to which your country has complied with its reporting obligations under the above codes and standards

**QUESTION 2: Has your country introduced any corporate governance measures? If so, were any of the following referred to?**

- (a) Principles of Corporate Governance (2004) OECD.
- (b) Principles of Corporate Governance in the Commonwealth (1999) CACG.
- (c) King Codes of Governance for South Africa (I, II and III). Cadbury Report 1992.
- (d) UK Combined Code (any edition up to 2008).
- (e) UK Corporate Governance Code 2010.
- (f) Guidelines on Corporate Governance of State Owned Enterprises (2005) OECD
- (g) Guidelines for Multinational Enterprises (2010) OECD.
- (h) Principles for enhancing Corporate Governance (2006) Basle Committee on Banking Supervision.
- (i) The Equator Principles.
- (j) Any other corporate governance principles (local, regional or international).

Present evidence of how any of the above has been referred to in an annex to your report.

### 5.3 Prior Evaluations and Assessments

As part of their national, regional and international obligations, as well as on a voluntary basis, countries and global organizations periodically undertake assessments on various issues such as the financial sector, governance, investment climate and doing business surveys. This section requires countries to report on evaluations and assessments that have been undertaken.

- 5.3.1 Please list any official evaluations, surveys, reviews and assessments for your country in the area of Corporate Governance (local, regional and International) which may usefully assist in compiling the country self assessment report e.g. World Bank and/or the AfDB or ECA Reports on Observance of Standards and Codes: Corporate Governance, Doing Business reports.
- 5.3.2 Please provide copies of any of the above that you feel may usefully contribute to the country's self assessment.

### 5.4 Questions Related to Objectives

**Objective 1: Promoting an Enabling Environment and Effective Regulatory Framework for Business organisations and other entities**

This objective focuses on the legal and administrative measures that are in place to facilitate economic activities, advocacy and service delivery, for example, incorporation laws, laws and regulations

governing different types of organisations, permits and licenses, registering property, protecting investors, enforcement of contracts, closing businesses.

In addition, the objective will also address:

- the effectiveness of both government authorities and self regulatory authorities in implementation, delivery of services, regulation, monitoring and supervision
- the independence, capacity and efficiency of the judiciary in enforcement of laws and regulations relating to organisations
- the availability of skilled professionals in areas relevant to good corporate governance e.g. company/chartered Secretaries, lawyers, accountants and auditors.

In addition, the objective will also address the informal sector and the regulatory frameworks for the financial institutions that support business. Issues such as infrastructure e.g. roads, ICT systems and availability and reliability of energy supplies should be dealt with under EGM.

Most economies split into three sectors:

- (a) The Private sector which is that part of the economy which is both run for private profit and is not controlled by the state. It includes family owned businesses, private companies, Micro, Small and Medium Enterprises, as well as the informal sector;
- (b) The Public sector, sometimes referred to as the state sector, which is a part of the state that deals with either the production, delivery and allocation of goods and services by and for the government or its citizens, whether national, regional or local/municipal. It includes State Owned Enterprises/ Parastatals and Public Authorities or Commissions;
- (c) The Not-for-profit sector which is that part of economy where organizations are for non-profit and non-governmental. This sector is also called the third sector, in reference to the private sector and the public sector or the Voluntary or Civic sector emphasizing the sector's relationship to civil society. It includes Non-Governmental Organizations, Community Based Organizations, Umbrella Bodies, Apex Bodies and other related organisations.

**QUESTION 1: What categories of organisations do you have in the private sector in your country?**

#### **INDICATORS:**

- (i) In your answer, comment on the ownership structure of the following categories of organisation:
  - (i) Listed Companies, indicating the number of family owned enterprises and subsidiaries of Multinational companies in this category
  - (ii) Micro, Small to Medium Enterprises (MSMEs), indicating the number of family owned enterprises and subsidiaries of Multinational companies in this category
  - (iii) Large unlisted companies, indicating the number of family owned Enterprises and subsidiaries of Multinational companies in this category

- (iv) Informal sector businesses
- (v) Sole proprietorships
- (vi) Any other forms of commercial enterprises existing in your country

- (ii) Comment on the contribution of each category of organisation in the private sector, in terms of employment and economic contribution to the country in the following format:

Category of Organisation	Contribution to the Economy	Contribution to Employment

- (iii) With reference to (i) above, comment on the segments of your economy dominated by each category of organisation (e.g. agriculture, manufacturing, health, education, construction/ real estate, trade, service sector).

- (iv) Comment on how many of the listed companies are the result of privatization, public companies seeking to raise public capital or cross listings from other market

With regard to ownership structure, comment on whether ownership and corporate power is concentrated in the hands of one or few shareholders or whether ownership and corporate power are widely dispersed, indicating (if the information is available) the number of shareholders.

- (v) With regard to MSMEs, provide if defined, the thresholds for each applied in your country (e.g. if categorized by number of people employed or capital)

**QUESTION 2 What categories of organisations do you have in the public sector in your country?**

**INDICATORS:**

- (i) In your answer, comment on the ownership structure, and segment of the economy (e.g. agriculture, manufacturing, health, education, construction/ real estate, trade, service sector) for:

- a. State Owned Enterprises
- b. Parastatals
- c. government linked entities
- d. any other type of organisation in the public sector

- (ii) Comment on the contribution of each category of organisation in the public sector, in terms of employment and economic contribution to the country in the following format:

Category of Organisation	Economic Contribution	Contribution to Employment

- (iii) In your answer, please comment on the number of State Owned Enterprises/ government linked entities that are listed on the local stock exchange (including percentage of Government ownership in each case and segment of the economy in which they operate).

**QUESTION 3: What categories organisations do you have in the not-for-profit sector in your country?**

**INDICATORS:**

- (i) Comment on the ownership structure and nationality in the following groupings:
- Community-based organizations (CBOs)
  - Civil Society Organizations (CSOs)
  - Non-Government Organizations (NGOs)
  - Faith Based organisations (FBOs)
  - Umbrella/Network/Apex Bodies
  - Informal / unregistered organizations
  - Any other types of organisations in this sector
- (ii) Comment on the segments within the economy (e.g. agriculture, manufacturing, health, education, construction/ real estate, trade, service sector) in which each category operates.
- (iii) Comment on the contribution of each category of organisation in the not-for-profit sector, in terms of employment and economic contribution to the country in the following format:

Category of Organisation	Economic Contribution	Contribution to Employment

**QUESTION 4: What is the regulatory framework for the different categories of organizations listed in questions 1 to 3 above?**

**INDICATORS**

- (i) Please provide (using the format provided below) a brief summary of the regulatory framework for establishing and governing the categories of organization listed in questions 1 to 3 above.

Type of Organization	Sector (if sector specific)	Requirements for Formation/ Incorporation	Legislation	Legal Status
Private company,	various	2-50 shareholders,	Companies Act	Limited Liability

Public Company		Articles and Memorandum of Association		Company or Company Limited by Guarantee
Partnership	Usually Professional	2-50 partners, registration with professional body e.g. accountant, surveyors, Law Society	Partnership Act,	Unlimited Liability Partnership Limited Partnership Limited Liability Partnership
NGO's			NGO Act	

- (ii) Assess the efficiency and effectiveness of the regulatory framework with reference to:
- The procedures to be followed in registering/incorporation, licensing and deregistering of the organizations listed above, while making any distinctions as applicable between sectors.
  - The registration of property (land, intellectual property etc.)
  - The protection of investors.
  - Contract enforcement mechanisms.
  - The judiciary and regulatory agencies resolving commercial or business disputes and prosecuting corporate infringement.

Issues to be addressed in this section include access to courts, the time taken to dispose of legal disputes, case backlogs and measures taken to address the problem such as specialized divisions of the court e.g. existence of a commercial court, alternative dispute resolution mechanisms and the efficiency of agencies that regulate business such as the companies registrar, registrar of patents etc.

- (iii) Provide details of the number of days it takes to do (ii) (a) to (e) above in the format provided below.

Activity	Performance – number of days
Formation of different categories of organisations	
Deregistration of different categories of business	
Registering property	
Resolve commercial disputes	
Obtaining licenses permits etc	

- Provide a brief on available alternative dispute resolution mechanisms.
- List and provide a brief on the roles of any supervisory/ regulatory authorities that have oversight over the organizations listed in (i) above.
- If a stock exchange exists, provide a brief on the period the exchange has been in existence, categories of companies listed on the exchange (whether local, or foreign and the sectors e.g. mining, infrastructure, service sector, financial sector etc) as well as market capitalization and trading infrastructure used on the exchange.

- 
- (vii) Summarize the main requirements for a company to become listed, stating the initial requirements and continuing obligations. (Include the same information for any alternative markets segments on the stock exchange in your country).
  - (viii) List and provide a brief on the number and roles (including advocacy and promotion of corporate governance) of any key professional and business organizations, e.g. chambers of commerce and industry, manufacturers' associations, institute of directors, institute of chartered secretaries and administrators, institute of chartered accountants, law associations etc. that you have in your country.
  - (ix) Describe the laws governing business/ economic activity in your country including business enabling/ commercial laws, e-commerce, Tax, copyright and patent protection laws, standardization.
  - (x) Describe the regulatory framework for and the roles of any supervisory/ regulatory authorities that have oversight over Financial Institutions and other providers of capital in your country.
  - (xi) If not already provided above list and provide a brief on Financial Institutions and other providers of capital in your country.
  - (xii) Describe the regulatory framework for the domestic investment industry including but not limited to pension funds, mutual or collective investment funds, banks, insurance companies and other investment vehicles.
  - (xiii) If not already provided above, list and provide a brief on the roles of any supervisory/ regulatory authorities that have oversight over organizations within the domestic investment industry.
  - (xiv) Describe the regulatory framework (if any) for any credit information institutions you may have in your country including credit registries and credit rating agencies.

#### **QUESTION 5 What is your country's approach to Corporate Governance?**

By approach to corporate governance, we mean has your country adopted a Mandatory, voluntary or hybrid framework for corporate governance.

Voluntary corporate governance frameworks are simply persuasive, in terms of compliance and are usually contained in Codes or Guidelines. They usually require an organisation to report annually on how they have applied the provisions of the Code or Guidelines. Failure to apply the provisions does not usually lead to penalties, but is left to stakeholders to decide whether non-compliance is problematic and therefore to take the necessary action, such as "naming and shaming", selling their stake in the organisation or ceasing to do business with the operation in the future.

A mandatory regime on the other hand, is in the law and will prescribe legal sanctions, particularly penalties, in the event of non-compliance. For example, many countries have included corporate governance requirements for financial institutions within the Law.

A hybrid framework is a combination of both mandatory and voluntary mechanisms.

Give a brief description of your approach. For each choice, comment on the reasons for selection and state whether there have been any challenges in operating the frameworks.

## INDICATORS:

- (i) Describe your country's approach to corporate governance in the private, public and not-for-profit sectors indicating differences in approach, if any, between the three sectors (private, public and not-for-profit). If any measures have been introduced provide details on the year introduced, title, originator and body responsible for revision and or enforcement. Please distinguish what is being done by the State and what is being done by professional/business associations to promote good corporate governance
- (ii) Describe any corporate governance standards that have been adopted for public sector bodies such as public authorities/ Commissions (e.g. Health Service Commission, Education Service Commission, governing bodies of higher intuitions of learning/technical colleges)
- (iii) Comment on whether the frameworks for corporate governance are voluntary or mandatory or a mix of both in each of the three sectors. Explain the rationale for the choice of enforcement and comment on how effective it has been.

**QUESTION 6 What measures are being taken in your country to support and improve governance in the informal sector?**

The informal sector can make up a large proportion of the economy of many African countries in both urban and rural areas and therefore the improvement of governance of entities within this sector is very important. The informal sector is an economic activity that is often neither taxed nor monitored by a government, and is not included in that governments' Gross National product. Organisations or persons operating within this sector will not have registered themselves i.e.as a corporate entity, under business name registration or as an NGO. Many family-owned businesses, micro and small sized enterprises and not for profit organisations may fall into this category especially those operating in rural areas. Care needs to be taken to clarify whether a particular organisation falls within the formal or informal sector. Size should not be used as the primary indicator as some very small or micro organisations are in the formal sector (they are registered in some way) and some larger organisations are in the informal sector as they have not registered themselves under appropriate regulations. It has been suggested that within many African countries more than 50% of the labour force is employed in the informal sector.

## INDICATORS

- (i) Explain your country's approach (if any) to educating those working in the informal sector in corporate governance best practices, financial literacy etc
- (ii) Please provide details of any measures that have been taken in your country to support and/or improve governance in the informal sector, together with details of the providers.

**QUESTION 7: What measures are being taken by organisations in your country to engage the local population in business opportunities, i.e. as suppliers, distributors etc, as well as capacity building and as a guarantor for finance?**

Many organisations operate overseas but do so through importing all of their resources: natural, human etc. from their home country. Some organisations are starting to see the value of sourcing these resources locally thus providing economic wealth to the country and building capacity amongst the local populations.

## INDICATORS

- (i) Describe any examples in your country of foreign organisations using local suppliers, distributors etc., capacity building or acting as guarantor for finance.

**QUESTION 8: What are the main sources of capital for the organizations listed in Questions 1 to 3 and 6 above?**

Sources of capital would include but are not limited to bank loans, grants from donors, foreign investment, and equity investments. The providers would include but are not limited to pension funds, mutual funds, banks including Islamic banks, insurance companies, and foreign investors.

## INDICATORS

- (i) Outline the key financial institutions that support all the types of organizations listed in questions 1 to 3 above in each of the three sectors (private, public and not-for-profit) and the informal sector in your country including but not limited to banks including Islamic banks, building societies, government agencies, investment schemes, international finance, microfinance etc.;
- (ii) Provide an inventory of the domestic investment industry including but not limited to pension funds, mutual funds, banks including Islamic banks, insurance companies, and foreign investors.
- (iii) Describe the categories of informal financial institutions and the roles they play in supporting organizations across all three sectors and the informal sector.
- (iv) Describe (if your country has any) the types of information on financial institutions e.g. credit agencies and the impact that they are having on the access to capital by the different types of organizations listed in questions 1 to 3 above. Comment on the existence of credit information systems in your country including the existence of credit registries, credit rating agencies and the role they play in facilitating access to information.
- (v) If bond or debt markets exist in your country, provide a brief on the period the market has been in existence, categories of companies listing debt on the market (whether local, or foreign and the sectors e.g. mining, infrastructure, service sector, financial sector etc) the trading infrastructure used on the market, the procedures for listing bonds and other forms of debt equity and the capacity of the market to deliver capital.
- (vi) If any secondary stock markets exist in your country to allow small and medium sized companies to access equity capital, provide a brief on the period the exchange has been in existence, categories of companies listing on the exchange (whether local, or foreign and the sectors e.g. mining, infrastructure, service sector, financial sector etc) the trading infrastructure used on the exchange, the procedures for listing and the capacity of the market to deliver capital

- (vii) Describe any challenges that the organizations in your country listed in questions 1 to 3 above may have in accessing any of the sources of capital mentioned above and what measures, if any, are being put in place to overcome the challenges.

Please give detailed explanations with supporting material where applicable.

**Objective 2: Ensuring Effective Leadership and Accountability of Organisations**

This objective focuses on assessing the mechanisms and practices introduced in your country to ensure more effective leadership and accountability of all the types of organizations listed in objective one above. Bodies that exercise leadership in a particular organization vary including boards of directors, boards of governors, Trustees, management Committees etc. It may be difficult to assess whether leadership in a particular organization is effective or not but corporate governance sets out certain practices to assist leaders in becoming more effective and it is the adoption of these within organizations in your country that this objective is trying to assess.

The practices are:

- a. The adoption of corporate governance and ethics codes
- b. Clear and comprehensive articles of association, trust deed etc.
- c. Robust and transparent procedure for the appointment of members of boards.
- d. No one dominant personality on a Board where external capital is being used by the organization.
- e. The use of non-executive and independent members of the Board where appropriate
- f. Board Charters to include matters reserved to the Board and those delegated to individuals or Board committees.
- g. The holding of regular board meetings.
- h. Board evaluations.

Accountability is usually defined as the accountability of the Board to the owners of the organization and in certain circumstances to key stakeholders.

**QUESTION 1: How does the Corporate Governance framework in your country provide for effective leadership of all the types of organizations listed in objective one above?**

**INDICATORS**

- (i) Describe the following for each of the different types of organizations listed in objective one above:
  - a. The predominant type of board structure adopted (i.e. is it a unitary or two-tier board structure). Explain any variations in board structure between organizations in the private, public and not-for profit sectors.

- b. The process for the appointment, election and removal of members of Boards including any variations in methods of appointment in the private, public and not-for profit sectors
  - c. The criteria used to determine eligibility, composition and remuneration of members of the board.
  - d. The average board size in each of the different sectors i.e. private, public and not-for profit.
  - e. Whether there are requirements for the separation of the Chairman and CEO
  - f. Whether there are requirements for Non-Executive and or independent members of the Board.
  - g. What criteria, if any, have been adopted to define independence of members of the board?
  - h. Where criteria exist, what challenges are faced by the organization in finding and appointing independent members of boards?
  - i. The average number of male and female Board members (any policies and regulatory requirements on board diversity including gender, professional and non-executive composition/ representation).
  - j. The average number of board positions held by any one individual. (restrictions, if any on multiple board membership).
  - k. Average number and frequency of Board meetings held in a year.
  - l. The adoption of board charters.
  - m. The predominant matters/responsibilities reserved to the Board.
- (ii) The mechanisms in place for the board to delegate to either individuals or board committees. Outline the programmes that are available for the training and development of directors and senior managers, indicating:
- a. Which organizations are providing corporate governance training within your country?
  - b. Who are they training and in what specific subjects?
  - c. In what sectors are they training?
  - d. How many people have been trained?
  - e. What is the average training period?
  - f. Is the training interactive and practical in nature or more theoretical lecture based?
  - g. What types of training modalities are used, in-house, in-country, outside-country etc.
  - h. What challenges are there in providing training e.g. resources, quality and availability of courses
- (iii) Comment on the effectiveness of the training and the extent to which these are used as a basis for board appointments.
- (iv) Outline any initiatives in your country which promote good board practices indicating the sector and the responsible organization.

**QUESTION 2: How does the corporate governance framework ensure accountability?**

## INDICATORS

- (i) Describe the measures which ensure accountability of the Board or other governing bodies to owners e.g. shareholders and/or stakeholders.

- (ii) Describe the requirements for holding meetings of shareholders, owners and other stakeholders and for dialogue between the Board or other governing body and shareholders, owners and other stakeholders.
- (iii) Describe the requirements for organisations to have websites and the information that should be disclosed on the website, include differences between the sectors, if any. Include other forms of disclosure in view of limited role of internet
- (iv) Describe organizational compliance with the above, including differences between the sectors
- (v) Describe any sanctions against organizations or individual members of the Board for non-compliance with the laws regulations, standards and codes mentioned in this section and provide evidence of enforcement
- (vi) Describe the mechanisms available for managing conflicts of interest (e.g. disclosure mechanisms of interested directors including mechanisms for ensuring arms length transactions with interested parties)
- (vii) Describe mechanisms for sanctioning directors, including the effectiveness of legal and regulatory penalties for non-compliance, director disqualification, mechanism for tracing property and limits on cross-directorships

**QUESTION 3: How does the corporate governance framework ensure timely, transparent and accurate disclosure of information on all material matters regarding the organization?**

**INDICATORS**

- (i) Prepare a schedule of the requirements for disclosure of information (financial and non-financial) by the organizations listed above in objective one including but not limited to the following:
  - a) Disclosure of remuneration of members of the board
  - b) Disclosure of the organisation's policy relating to board remuneration
  - c) Disclosure of related party transactions
- (ii) Definition of related parties and related party transactions
  - (a) Definition of related party transactions (International Accounting Standard 24)
  - (b) The following are "Related parties":
    - a member of the Board or of the key management personnel of the organisation;
    - any other person that significantly controls or influences the organisation;
    - any close member of the family (such as the individual's domestic partner and children, children of the individual's domestic partner and other dependants of the

individual or of the individual's domestic partner) of any individual referred to in (a) or (b);

- (c) any entity controlled or significantly influenced by the organisation or by any individual referred to in (a) or (b);
- (d) any entity under joint control with the organisation;
- (e) any entity that significantly controls or influences the organisation.

A related party transaction shall be understood as a transfer of resources, services or obligations between related parties and the organisation, regardless of whether a price is charged. This includes among others: purchases or sales of goods, property and other assets; rendering or receiving of services; leases; transfers of research and development; transfers under licence agreements; financial arrangements (including loans and equity contributions in cash or in kind); provision of guarantees or collateral; commitments to do something if a particular event occurs or does not occur in the future, including executory contracts; etc.

Owners should be informed of any “related party transaction” that may significantly affect the current and or future financial position, the performance, the capacity, the opportunities and/or the risks of the organisation. Such disclosure should explain what the nature of the transactions is and how the potential conflicts of interest or other risks for the organisation are being avoided and/or mitigated

- (iii) Outline the mechanisms in place for evaluating, supervising and monitoring compliance with the requirements and also the integrity and quality of the information disclosed.
- (iv) Assess the effectiveness of supervisory authorities in monitoring the compliance of organizations with the prescribed reporting requirements.
- (v) Outline challenges faced in ensuring an effective framework for transparency and disclosure of information and measures to address the challenges.
- (vi) Describe any sanctions against organizations or individual members of the Board for non-compliance with the laws regulations, standards and codes mentioned in this section and provide evidence of enforcement.

**QUESTION 4: To what extent are organizations within the different sectors (private, public and not-for-profit) applying the local, regional and international accounting and auditing standards and practices?**

## INDICATORS

- (i) Describe the auditing and accounting standards in place in the country for the different types of organizations in the private, public and not-for profit sectors, highlighting as and, where appropriate, any material differences with international standards on auditing and accounting.
- (ii) Are there mechanisms for integrated reporting?

Integrated reporting refers to putting financial results of an organisation in perspective by also reporting on how an organization has, both positively and negatively, impacted on the economic life of the community in which it operated during the year under review and how the organisation intends to enhance those positive aspects and eradicate or ameliorate the negative aspects in the year ahead.

- (iii) Provide details of the requirements regarding the audit of financial statements for all types of organizations in all three sectors, highlighting any differences between the requirements.
  - (iv) Discuss the regulation and qualification requirements of the audit profession in your country as well as its oversight and disciplinary role including requirements for all the auditors to inform the supervisory authorities and/or the shareholders about the involvement of board members or senior management in illegal activities, fraud or insider abuse.
- (v) Provide, if any, laws making it more favourable/less favourable for multinationals to operate in your country than the prevailing international standards.

**QUESTION 5: How does the corporate governance framework in your country ensure that organizations listed in objective one above have put in place risk management and effective internal controls mechanisms**

## INDICATORS

- (i) Outline any requirements for the organizations listed in objective one above to manage risk and assess the effectiveness of their internal controls indicating any differences between the sectors and between organizations within a particular sector.
- (ii) Provide an assessment of compliance with the requirements by the organizations listed in objective one above, any challenges and any measure that are been taken to overcome these challenges.
- (iii) Explain the predominant processes or procedures in place in the organizations listed in objective one above that ensure that the Board monitors compliance with applicable laws, regulations, standards and codes
- (iv) Outline any requirements for organizations to have internal and external audits functions Provide an assessment of compliance with the requirements in (iv) including details of the number and types of organizations within each of the three sectors that employ internal and external auditors, who they report to, and their roles and responsibilities outlining any differences between the sectors or organizations within sectors.
- (v) Describe any sanctions against organizations or individuals for non-compliance with the laws regulations, standards and codes mentioned in this section and provide evidence of enforcement
- (vi) Describe any statutory reporting obligations imposed on external and internal auditors.

Please give detailed explanations with supporting material where applicable

### **Objective 3: Ensuring Ethical Conduct Within Organisations**

This objective focuses on the ethical behaviour of organisations both internally and externally. It will look at:

- the development of codes of ethics and other practices to promote ethical behaviour such as whistle blowing regulations.
- the role of professional bodies in promoting ethical standards.
- the role of and challenges faced by the media in reporting unethical conduct.
- the level of ethical and unethical behaviour in organisations.
- regulations surrounding organisations making political donations

In providing information in response to this objective, consideration should be given to the application of the African philosophy of teamwork and collaboration known by many names throughout Africa such as 'Ubuntu' in Southern Africa. This philosophy considers the success of the group above that of the individual, 'I am because you are; you are because we are'.

The section on Economic Governance deals with money laundering and corruption Political corruption is also addressed in the Democracy and Political governance section.

### **QUESTION 1: What is the overall assessment of ethics within organizations in your country?**

#### **INDICATORS**

- (i) Outline any measures taken and challenges to promoting good ethics within organizations in the private, public and not-for-profit sectors in your country, including but not limited to the development of codes of best practice and their application and enforcement. Please indicate differences between the sectors, if any.
- (ii) Outline any bodies in the public, private and not-for-profit sectors that have been active in promoting ethical cultures within organizations in your country in the different sectors, including but not limited to the adoption of codes of ethics (for example, institutes of directors, chartered secretaries, centres or institutes of corporate governance, or associations of shareholders). Summarize recent efforts (if any) of these bodies to promote ethical cultures within organizations in the country, including any training programmes that they may have run.
- (iii) Describe any duties, such as but not limited to, fiduciary duties for directors of companies that exist within laws or regulations in your country for members of boards of organizations in the private, public and not-for-profit sectors that govern their conduct. Please indicate differences between the sectors.
- (iv) Outline your country's approach, if any, to political donations by organizations in the private, public and not-for-profit sectors including any disclosure requirements. Please also describe any other forms of interconnectedness between organizations and political parties or bodies such as but not limited to procurement and appointments.

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- (v) Outline your country's approach, if any, to market abuse including but not limited to insider trading.
  - (vi) Outline your country's approach, if any, to related party transactions in organizations in the private, public and not-for-profit sectors.
  - (vii) Describe the mechanisms available for managing conflicts of interest (e.g. disclosure mechanisms of interested directors including mechanisms for ensuring arms length transactions with interested parties)
  - (viii) Describe the role of the media and quality of investigative financial journalism in reporting on corporate governance practices and ethics violation and the challenges faced by the media in doing so
  - (ix) Describe the impact/ influence of multinationals companies on ethics within organizations in the public, private and not-for-profit sectors within your country (both good and bad) and any differences between sectors
  - (x) Assess the effectiveness of measures taken by organisations to promote adoption of good ethics and combat corruption, smuggling, fraud, money laundering, administratively penalize non-compliance with the laws, regulations, standards and codes mentioned in this section and provide evidence of enforcement, with reference to:
    - a) Administrative sanctions taken by organizations against officers, managers and employees for ethics violation and seriousness of penalties imposed including blacklisting and suspension of non-compliant organisation by professional associations;
    - b) Describe any sanctions against organisations for non-compliance with laws and regulations, standards and codes mentioned in this section and provide evidence of enforcement;
    - c) Describe success achieved by organisations in bringing to court cases described under (x) above;
    - d) Describe the existence in organizations of capacity and appropriate skills for internal regulatory oversight, including number of professionals, e.g. lawyers, chartered secretaries, internal auditors
  - (xi) Describe any mechanisms within your organizations , including the legal framework, for whistle blowing and “whistleblower” protection.
  - (xii) Provide reports of any prior assessment of the ethics within your organization in each sector.

Please give detailed explanations with supporting material where applicable.

**Objective 4: Ensuring that Organisations Treat Stakeholders Fairly and Equitably**

This objective focuses on the effectiveness of the laws and regulations that are in place to protect the interests of an organization's stakeholders. Stakeholders include shareholders, employees, customers, suppliers, creditors, the community, the future generation and any other person with an interest in the organization. Although there are mechanisms in place in many African countries to protect the interests of many of these stakeholders, these have not always been effective. Objective 5 on the other hand deals with activities by organizations that go beyond the law and make that organization a good corporate citizen.

**QUESTION 1 What are the mechanisms for Ensuring Equitable Treatment of Shareholders?**

**INDICATORS**

- (i) Describe the mechanisms for ensuring equitable treatment of shareholders  

Equitable treatment of shareholders means treating shareholders of the same class equally as well as ensuring that all shareholders have equal access to information and opportunities to exercise their rights as shareholders.
- (ii) Describe the rights of shareholders for the different types of companies.
- (iii) Describe mechanisms for protection of minority shareholders from controlling shareholder abuse, including a commentary on effectiveness of the redress mechanisms.
- (iv) Describe the measure that are in place to prevent market abuse (i.e. insider trading)
- (v) Describe any obstacles that prevent shareholders from effectively exercising their rights and measures being taken to eliminate the obstacles.
- (vi) Describe any sanctions against organizations or individual for non-compliance with the laws regulations, standards and codes mentioned in this section and provide evidence of enforcement

**QUESTION 2: What mechanisms exist to allow owners of organizations to maintain control of the organisations?**

**INDICATORS**

- (i) Describe the control maintaining or enhancing mechanisms that exist for the organisations listed in Objective 1, Questions 1 to 3, such as but not limited to provisions in the articles, pyramid structures, shareowners agreements, voting right ceilings, non-voting preferred shares, golden shares and ownership ceilings
- Provisions in the articles can sometimes require government to maintain controlling interests in companies after privatizations.
  - Pyramid structures occur when a family or a company controls a company that in turn holds a controlling interest in another company. This process can be repeated a number of times.
  - Shareholder agreements can include both formal and informal shareholder alliances.
  - Voting right ceilings involve a restriction prohibiting shareowners from voting above a certain threshold, irrespective of the number of voting shares they hold. Voting right ceilings can be expressed as a percentage of all outstanding voting rights (e.g. when no shareowner may vote for more than 3% of the company's registered share capital) or as a percentage of all votes cast at a general meeting.
  - Non-voting preferred shares are shares that have no voting rights but have a preferential (higher or guaranteed) dividend.
  - Golden shares are priority shares issued for the benefit of government bodies,. They confer special rights used by national or local governments or government controlled vehicles to maintain control in privatized companies by granting them rights that go beyond those associated with normal shareholdings. They enable governments to block takeovers, limit voting rights and/or veto management decisions.
- (ii) Describe any specific measures taken to prevent the use of any of the mechanisms in (i) above.

**QUESTION 3: To what extent does the corporate governance framework in your country protect the rights of stakeholders?**

**INDICATORS**

- (i) Prepare a schedule setting out the different types of stakeholders for the different types of organizations listed in objective one above, the rights they possess and the relevant laws, regulations, voluntary codes etc. conferring these rights, indicating differences between the sectors
- (ii) Describe any additional mechanisms that are in place in your country that allow stakeholders to seek redress in case of violation of their rights
- (iii) Describe the extent of compliance with the laws and regulations listed in (i) above and the enforcement mechanisms in place to ensure compliance with them.

- (iv) Describe any obstacles preventing the various categories of stakeholders from effectively exercising their rights and the measure taken to eliminate these obstacles
- (v) Describe stakeholders ability to access information about organizations in the public, private and not-for-profit sectors and the types of information available indicating any differences between the sectors
- (vi) Describe any sanctions against organizations for non-compliance with any of the laws, regulations, standards and codes mentioned above and enforcement mechanisms

**QUESTION 4: Are there any mechanisms in place for stakeholder participation in organizations?**

**INDICATORS**

- (i) Outline any laws, regulations or voluntary codes etc. within your country that require stakeholder representation on boards or committees of organizations in the private, public or not-for-profit sectors indicating any differences between the sectors
- (ii) Describe the extent of compliance with the laws, regulations, voluntary codes etc. listed in (i) above and the enforcement mechanisms in place.
- (iii) Describe initiatives adopted by organizations in the private, public or not-for-profit sectors to allow stakeholders to participate in the activities of the organization, such as but not limited to, employee reward schemes, involvement in consumer awareness/ consumer protection initiatives including awareness of the hazards of counterfeit products such as counterfeit medicine, and the dumping of poor quality goods, and mechanisms for community participation/ involvement such as consultation.
- (iv) Describe any measures within your country that ensure that boards of organizations in all three sectors take the interests of stakeholders into account when making decisions, indicating differences between the sectors, if any.

**QUESTION 5: Are there measures in place to ensure that organizations recognize human rights and observe labour laws?**

**INDICATORS**

- (i) Describe your country's human rights and labour laws particularly with regards to:

- a. Employees rights including the rights to unionize.
  - b. Procedures for handling and settling labour disputes.
  - c. Fair wages.
- (ii) Assess the level of organizational compliance with human rights and labour laws especially with reference to:
- a. The provision of a safe working environment.
  - b. Fair wages to employees.
  - c. The handling of employee disputes, safety issues and matters relating to employee compensation including compensation for injury in the workplace
  - d. The rights to unionize, number of trade unions, the percentage of the workforce belonging to a trade union, and the effectiveness of trade unions in resolving labour disputes
  - e. Number and frequency of mass industrial and labour disputes and strikes.
  - f. Citation and prosecution of organizations for labour and human rights violations.
  - g. Citation and prosecution of child labour practices.
- (iii) Describe what organisations in your country are doing to ensure gender equality at managerial staff levels in all the three sectors. .
- (iv) Describe any sanctions against organizations for non-compliance with human rights or labour laws and provide evidence of enforcement.

Please give detailed explanations with supporting material where applicable

**QUESTION 6: What are the vocational and professional training programmes available for different industry sectors, and who are the responsible institutions managing this training?**

#### INDICATORS

- (i) Describe what vocational and professional training programmes are available in your country for the different industry sectors and who are the responsible institutions managing this training.
- (ii) Provide numbers of individuals participating in the training for each institution mentioned.

#### **Objective 5: Ensuring that Organizations Act as Good Corporate Citizens**

An organization as well as being an economic entity is also a citizen of a country and as such, has a moral and social standing within that country's society with all the responsibilities attached to that status. As such, an organization when making decisions should consider the impact of their decisions on their stakeholders both internal and external, the environment and society as a whole. This objective focuses on how organisations fulfil these obligations. Good Corporate citizenship is synonymous with corporate responsibility.

Organizations carry out corporate responsibility projects in the following categories:

- a. Philanthropy – These projects can be broken down into projects that are ‘feel good’ projects that have very little benefit for society in the long-term or for the organization but makes the organizations feel good e.g. sponsoring an arts project, or local sporting event that does not bring much publicity to the company and projects that give a large benefit to society in the long run but not much benefit to the organization e.g. funding a hospital, assisting a with country disaster recovery etc.
- b. Propaganda – These kinds of projects give the organization a lot of publicity and are usually part of their marketing campaign but the benefit to society is short lived e.g. sponsoring a major football tournament
- c. Partnering or networking – these types of projects bring benefit to both the organization and society in the long-term e.g. an accountancy firm partnering with a university to produce more accountancy graduates, or a company partnering with either a health authority or NGO to provide services and products to reduce the impact of a particular disease such as HIV/AIDS, organizations partnering for environmental reasons.

**QUESTION 1: To what extent do organizations in the private, public, informal and not-for-profit sectors act as good citizens?**

## INDICATORS

- (i) Give an overall description of the extent to which organizations in all three sectors are driving and or contributing to national development objectives and priorities, such as but not limited to, gender equality, poverty alleviation, commitment to job creation, skills development, HIV/AIDS.
- (ii) Comment on the prevalence of multi-sector partnerships in the areas mentioned in (i) above.
- (iii) Prepare a schedule of specific examples of activities that organizations in your country are carrying out that fall into each of the corporate responsibility categories stating whether the organizations are in the private, public or not for profit sectors.
- (iv) Describe how organizations are informing and developing public policy in the areas mentioned in (i) above and the role that multi-sector partnerships are playing in this endeavour.
- (v) Comment on the relevance of the corporate responsibility activities carried out by organizations in all three sectors to community needs.
- (vi) Outline any public concern arising from the activities of organizations in all three sectors, including the number and frequency of any community protests and any organizational and government response to these protests.
- (vii) Describe how organisations are using the Global Reporting Initiative Guidelines and Framework to report on their corporate responsibility activities.

**QUESTION 2: What measures are in place to encourage organizations in the private, public, informal and not-for-profit sectors to act as good citizens?**

**INDICATORS**

- (i) Outline what measures are in place to encourage organizations in the three sectors to act as good citizens such as but not limited to. tax incentives, laws, regulations, codes,
- (ii) Comment on compliance with any laws, regulations or codes in place for organizations in all three sectors relating to the employment and training/retraining of disabled persons
- (iii) Comment on compliance with any laws, regulations or codes in place for organizations in all three sectors relating to the employment of women.
- (iv) Comment on any challenges in enforcement or monitoring indicating any differences between the sectors
- (v) Describe any sanctions against organizations for non-compliance with any of the above laws, regulations, standards and codes, and provide evidence of enforcement.

**QUESTION 3: How are organisations complying with environmental regulations in your country and conducting business in an environmentally friendly manner?**

**INDICATORS**

- (i) Briefly outline the experiences in your country with regard to environmental degradation by the activities of organizations across all three sectors.
- (ii) Describe any measures taken by organisations to ensure that they conduct their operations in a manner 'that meets existing needs without compromising the ability of future generations to meet their needs'.
- (iii) Comment on the effectiveness of such measures with respect to the levels to which organizations in all three sectors adhere to sustainable environmental management policies including Environmental Impact Assessment Programmes, use of clean technology, anti-desertification measures, recycling programmes and environmental rehabilitation programmes.
- (iv) Describe any requirements for organizations to report on how their activities have positively and/or negatively impacted on the environment and/or to disclose what measures the

organization is taking to improve the positive and eradicate/ lessen the negative aspects of their activities.

- (v) Describe what measures are being taken by organisations to address climate change or for the control of carbon trading and emissions
- (vi) Describe any sanctions against organizations for non-compliance with any of the above laws, regulations, standards and codes and provide evidence of enforcement
- (vii) Describe the impact (positive and negative) of any activities carried out by organizations in the three sectors aimed at regeneration of the environment

**QUESTION 4: To what extent are organisations complying with sector principles, such as the Extractive Industries Transparency Initiative, the Kimberly Principles (Diamonds), and those related to wildlife conservation and other natural resources?**

## INDICATORS

- (i) Briefly describe how your organisations in the private, public, not-for-profit and informal sectors have implemented the requirements of the sector principles.
- (ii) Comment on compliance by organizations in the private, public, not-for-profit and informal sectors indicating any challenges with compliance and any differences between them.
- (iii) Describe any sanctions against organizations for non-compliance and provide evidence of enforcement.

Please give detailed explanations with supporting material where applicable.

## 6 BROAD-BASED SUSTAINABLE SOCIO-ECONOMIC DEVELOPMENT

### Definition

In the light of the NEPAD declaration, sustainable Socio-economic development implies a continuous improvement in the well-being and the standard of living of the people, which could be summarized in terms of income, health, education, environment and freedoms. For the first three of these, per capita income, life expectancy at birth, infant mortality and adult literacy are the proxies to be measured and compared. In other words, sustainable socio-economic development is a process, which manages to combine the social, economic and environmental aspects of development, and establish a close link between these three pillars. Good governance, which is about appropriation, participation, responsiveness, accountability and sustainability, constitutes the above link and one of the preconditions for sustainable development. Indeed, broad-based sustainable socio-economic development is by the people for the people, and the paradigm of building on the indigenous is therefore the necessary condition. The African masses themselves should own, participate and become the end and the means of their development. As indicated in the document on objectives, standards, criteria and indicators for APRM, the socio-economic development section is intended to highlight efforts and progress made in designing appropriate policies and delivery mechanisms in key social development areas. To this effect, the following four objectives will be dealt with under this section:

- (i) Promote and accelerate broad-based sustainable socio-economic development;
- (ii) Encourage broad-based participation in development;
- (iii) Poverty, unemployment and inequality; and
- (iv) Progress towards gender equality, particularly equal access to education for girls at all levels

### 6.1 Conceptual framework

Cognizant of the fact that economic growth alone does not automatically lead to sustainable socio-economic development and the elimination of poverty, African heads of state and government adopted in 2001, the New Partnership for Africa's Development (NEPAD) with a view to eradicating poverty and alleviating other social and environment impediments to sustainable growth and development. To this effect, the NEPAD underscores the importance of peace, security, democracy, sound economic management, human rights and good governance as preconditions for sustainable development.

Good governance is also endorsed by the African Peer review Mechanism (APRM). The main objective of this mechanism, established in 2003 as part of the NEPAD, is to foster the adoption of policies, standards and practices that lead to political stability, high economic growth, sustainable development and accelerated sub-regional and continental economic integration.

Good governance is, among other things, characterized by appropriation, participation, responsiveness, accountability and sustainability. It is therefore internationally considered as the underlying conceptualization of the broad-based sustainable socio-economic development. Indeed, the promotion and acceleration of a broad-based sustainable socio-economic development will require a top-down and bottom-up approach in the formulation and implementation of policies and strategies geared towards reducing poverty and improving the overall well-being of the people.

All stakeholders should own the whole process and actively participate in the promotion of self-reliance and capacity building for self-sustaining development. To this effect, the country should first rely on its own resources and allocate them wisely for development programmes with particular emphasis on inter-related key priority sectors such as agriculture, environment, health, education and infrastructure. Indeed, with a sharp population increase, land becoming less fertile, the disastrous overexploitation of water and forest resources and low rainfall in most parts of Africa, there has been increasing poverty and the downward spiral of underdevelopment. The poorer you become, the less you eat with less energy to work and you do not produce enough and the poorer you become. In order to shift from the pitfall of underdevelopment and take-off, there should be a clean break in the vicious circle.

The broad-based sustainable socio-economic development together with its four objectives constitutes the pathway if policies and strategies are carefully formulated and implemented with a monitoring and evaluation system to measure the progress and take necessary corrective measures before it is too late. To this effect, adequate human resources should be identified and developed in each priority sector and in each discipline area in order to, among other things, engage all stakeholders individually and collectively in the whole process. In addition adequate financial resources should be mobilized first at national level then at regional and international levels to fill the needed gap. To ensure equity in the process, most disadvantaged people should be enabled to enhance their knowledge and manage their livelihoods, especially when development initiatives affect their lives.

To this extent, the sustainable socio-economic development component of the APRM assessments is undertaken under a series of standards and codes, and objectives that are able to provide insight on the progress that African countries are making in terms of reducing inequalities, poverty and hunger through improvement of agriculture production, food security, environment protection and affordable access to natural resources and basic services as development is about the well-being of present people without compromising the life of future generation.

## 6.2 Standards and codes

This paragraph will update the list of standards and codes related to the broad-based sustainable socio-economic development and distribute them across the four new objectives. It will then assess the level of their signature, ratification and enactment. In addition, this paragraph will try to understand constraints to the adoption of some standards and codes, enforcement mechanisms and reporting structures in place.

When assessing the Standards and Codes, the respondent should only assess those elements of the standards and codes that relate to Broad-based sustainable socio-economic development. The other elements of the standards and codes will be dealt with under the other thematic areas such as Corporate Governance.

The Standards and codes for the SED thematic area are the following:

### Standards and codes that need signing and/or ratification

Standards and codes	Adopted/ signed (include date)	Ratified	Enacted	Date last reported	Reservations/ Notes
United Nations Organization (UNO), Declaration on the Rights of Disabled Persons (1975, New York, USA)					
United Nations Organization (UNO), Convention on the Elimination of all forms of Discrimination against Women (1979, New York, USA)					
Right to development in the African Charter on Human and Peoples' Rights (1981) including the protocol on the Right of Women in Africa					
United Nations Organization (UNO), Convention on the Rights of the Child (1989, New York, USA)					
OAU, African Charter on the Rights and Welfare of the Child (1990, Addis Ababa, Ethiopia)					
Kyoto Protocol on the UN Convention Framework on Climate Change (1997, Kyoto – Japan)					
Constitutive Act of the African Union (2000, Lome, Togo)					
Organization of African Unity (OAU), New Partnership for Africa's Development (NEPAD), (2001, Abuja, Nigeria)					
African Union (AU), Protocol to the African Charter on Human and People's Rights on the Rights of Women in Africa (2003, Maputo, Mozambique)					
African Convention on the Conservation of Nature and Natural Resources (2003, Maputo, Mozambique)					

African Youth Charter (2006, Banjul, Gambia)					
Convention on the Rights of Persons with Disabilities (2006, New York, USA)					
Charter for the Cultural Renaissance of Africa (2006 Khartoum, Sudan)					
African Union (AU), African Charter on Democracy, Elections and Governance (2007, Addis Ababa, Ethiopia)					
<b>Standards and codes that do not need ratification</b>					
Standards and Codes	Adopted				Notes
Africa Charter for Popular Participation in Development (1990)					
Organization of African Unity (OAU), Treaty Establishing the African Economic Community (1991, Abuja, Nigeria)					
United Nations Framework Convention on Climate Change (1992, Rio de Janeiro, Brazil)					
United Nations Convention to Combat Desertification in those countries experiencing serious Drought and/or Desertification, particularly in Africa (1994, Paris, France)					
United Nations Organization (UNO), Fourth International Conference on Women, Peking Declaration and Plan of Action (1995, Peking, China)					
World Summit for Social Development (1995, Copenhagen, Denmark)					
Organization of African Unity (OAU), Solemn Declaration on the Conference on Security, Stability, Development and Cooperation in Africa (2000, Lome, Togo)					
United Nations Millennium Declaration and the Millennium Development Goals (2000, New York, USA)					
Organization of African Unity (OAU), Memorandum of Understanding on Security, Stability, Development and Cooperation in Africa (2002, Durban, South Africa)					
World Summit on Sustainable Development (2002, Johannesburg,					

South Africa)		
African Union (AU), Solemn Declaration on Gender Equality in Africa (2004, Addis Ababa, Ethiopia)		
AU Ouagadougou Declaration and Plan of Action on employment and Poverty alleviation(8-9 September 2004, Ouagadougou, Burkina Faso		

**QUESTION 1: To what extent has your country taken measures to sign, ratify, enact and implement the standards and codes listed above?**

**Indicators**

1. For each standard and code, please indicate dates of signature, ratification and domestication as applicable.
2. Describe the approaches or methods that facilitated the domestication of the codes and standards ratified, such as:
  - Enactment into domestic legislation;
  - Translation into national languages, organization of seminars and conferences on popularization and publication of regular reports on implementation of the standards and conventions, advocacy, teaching programmes;
  - Creation of easily accessible databases on the standards and codes signed, ratified and integrated for monitoring purposes;
  - Existence of programmes aimed at disseminating the information on the standards and codes signed, ratified or integrated into the national system;
  - Use of the codes and standards in formulation of policies and design of national development programmes and projects.
3. Describe the progress registered in the respect of the norms and achievement of the objectives, in terms of appropriate results indicators. Outline where applicable, efforts or progress to ensure compliance with the relevant standards or codes. Respondents should identify and focus on codes that are particularly relevant within their country's political and social context, especially on African standards and codes.
4. What enforcement mechanisms and reporting structures are available in respect of standards and codes that have been ratified.
5. For the standards and codes that have not been signed, ratified or enacted/implemented, outline the obstacles faced and any steps being taken to sign, ratify, enact/implement such standards. Respondents should identify and focus on codes that are particularly

relevant within their country's political and social context, especially on African standards and codes.

6. In case the standards and codes have not been ratified, indicate the other legislative, political measures, and institutional instruments or frameworks that have been put in place for achieving the same or similar objectives.
7. If not already discussed, describe any legislation, policy or practices that violate any of the listed standards and codes.
8. Outline any legislative, policy or institutional frameworks that have been put in place to implement any relevant sub-regional (i.e. SADC, ECOWAS, EAC, ECCAS) charters, conventions and protocols on democracy and governance.
9. If your country has adopted and implemented any international standards and codes related to democracy and political governance that are not listed in the questionnaire, you are at liberty to provide relevant information concerning their date of adoption, any institutional arrangements in place of their ratification, and the human and financial capacity to implement these standards.

### 6.3 Prior evaluations and assessments

Please provide copies and any official evaluations and assessments your country has undertaken in the area of socio-economic development, which may usefully assist in compiling the country self-assessment.

Please provide copies and any other surveys or reviews in relation to the area of socio-economic development that you feel may usefully contribute to the country's self-assessment.

### 6.4 Questions related to objectives

As indicated in the definition box, the questionnaire concerning SED thematic area is composed of following four objectives, which will guide country self-assessment:

- (i) Promote and accelerate broad-based sustainable socio-economic development;
- (ii) Encourage broad-based participation in development;
- (iii) Poverty, unemployment and inequality; and
- (iv) Progress towards gender equality, particularly equal access to education for girls at all levels

<b>Objective 1: Promote and accelerate broad-based sustainable socio-economic development</b>
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This first objective deals with the way member countries formulate and appropriate policies and strategies for the promotion and acceleration of their socio-economic development process. It is also intended to assess mechanisms and measures put in place for capacity building and financial resources mobilization, allocation and management.

**QUESTION 1: Describe the policies and strategies formulated by your country to promote and accelerate broad-based sustainable socio-economic development.**

### Indicators

**a. Describe the legal, political and institutional measures taken to:**

- accelerate Broad-based Sustainable Socio-economic Development (BSSSED) in accordance with the declared objectives of NEPAD,
- formulate growth-oriented sectoral policies (strengthening the capacities of the poor to undertake income-generating activities, improving their access to credit ...),
- promote self-reliant and self-sufficient development through greater integration with other countries in the region and through diversification of production and exports,

**b. Indicate results obtained in terms of:**

- satisfaction, simplification of administrative formalities on request, cost reduction and access to resources and services, in particular with regards to access to potable water, sanitation, social protection, education, health (including the fight against HIV/AIDS and other transmissible diseases), information and communication technologies;
- Management of formal and informal employment.

**c. Specify measures taken to accelerate agricultural production and promote rural development, such as:**

- equitable distribution and efficient use of land, water and other productive resources;
- rural environmental planning based on the creation of rural open-up units, better equipped terms of physical social infrastructure, and open to the national economic environment;
- development of farmers' associations, cooperatives and other forms of self-reliant, democratic, voluntary organizations of primary producers and rural workers;
- incentives measures put in place with a view to increasing investment and production in rural areas; a broad-based rural development through the diversification of rural economic activities (integrated development of agriculture and stock-breeding, fisheries and fish farming, integrated development of forestry and establishment of industrial farms, particularly agro-industries);
- mobilization of human resources and increase in production,

- support to non-agriculture micro-projects;
- technical and financial supervision of micro farm enterprises.

**d. Recommend measures for addressing observed weaknesses.**

**QUESTION 2: What is the capacity of your country to formulate, implement and monitor broad-based sustainable socio-economic development?**

**Indicators:**

**a. Analyze the legal, political and institutional deciding factors that contribute to the acceleration of development, including:**

- Capacity to formulate policies and laws that has an impact on sustainable development
- International technical and financial support,
- role of cultural values.

**b. Assess the capacity of the country to:**

- mobilize domestic resources (savings, tax reforms, private investment);
- improvement of the domestic resource mobilization policy (broadening the tax base, reducing fraud and tax evasion);
- assessment of internal managerial capacities of the country.

**c. Mention performance monitoring and evaluation instruments for acceleration of development.**

- Describe aid coordination system between the Government and major development partners in order to better ensure monitoring of international commitments at local level.

**d. Through the results achieved and trends during the last five or ten years, provide evidence of:**

- socio-economic development indicators (unemployment rate, access to potable water, sanitation, social protection, education, health, ICTs, energy, housing, land),
- investment-induced job creation,
- progress made towards the attainment of the Millennium Development Goals (MDG) and objectives of the action plan of the Johannesburg World Summit on Sustainable Development.

**QUESTION 3: How the national development plan, programme and policies are financed?**

### Indicators

- a. **Indicate the shares of domestic and external resources allocated for financing the national budget, especially regarding national investment programmes;**
- b. **Assess the level of the country's dependency on aids (external vulnerability) in terms of:**
  - trend of external debt during the last five or ten years;
  - debt-GDP ratio;
  - debt service-export ratio;
  - import/export-GDP ratio;
- c. **Assess the capacity of your country to mobilize domestic resources (savings, tax reforms, private investment)**
- d. **Indicate the legal, political and institutional deciding factors that favour financing of the development.**
- e. **Indicate the trends of the economic indicators during the last five or ten years (GDP, growth rate, macro-economic indicators (inflation, budget balance, domestic investment and savings, external operational accounts).**
- f. **Recommend measures for eliminating the constraints and consolidating the progress made.**

**QUESTION 4: What policies and strategies are in place in your country to enhance environmental management and protection for sustainable development**

### Indicators

#### Indicate actions geared towards:

- formulation and adoption of the national environmental action plan
- the development of strategies for implementation of the action plan
- the mobilization of financial resources for effective implementation
- effective public, private and civil society partnership for environment protection
- enhancing understanding of the linkages between environment, climate change, population and urbanization
- institutional capacity building and strengthening

**QUESTION 5: What are the measures adopted to ensure environmental sustainability and accountability?**

**Indicators**

- a. Describe programmes, policies and strategies adopted by your country to ensure environmental sustainability**
- b. Assess the progress made by providing following information:**
- Proportion of land area covered by forest;
  - Proportion of population using an improved drinking water source;
  - Proportion of population using an improved sanitation facility;
  - Proportion of urban population living in slums.
- c. Describe the measures taken to:**
- ensure that all development projects comply with environmental standards and principles;
  - promote specific projects that contribute to the protection and improvement of the natural and built environment and participate in the promotion of social welfare;
  - manage the environmental print in the context of development projects;
  - encourage a diversified economic development;
  - ensure that all renewable resources are used in a viable manner in the long-term;
  - maintain economic activity within the limits of the capacity of the ecosystems
- d. Describe measures put in place for combating climate change, specifying, among others:**
- protection of the environment with regard to the key objectives and action plans of the Johannesburg World Summit on Sustainable Development and the Kyoto Summit aimed at combating climate change;
  - implementation of bold policies for diversification of energy sources, using renewable energies such as biomass, solar and facilitating their access by the majority of citizens from all social backgrounds.
- e. Recommend measures for eliminating the constraints and consolidating the progress made.**

**Objective 2: Encourage broad-based participation in development**

Participation of all stakeholders to the broad-based sustainable socio-economic development is very important as it involves people in the whole development process. Each citizen owns the concept and takes active part in it. This second objective will therefore assess policies, strategies and incentive measures put in place to stimulate participation from public servants, private sector, civil society and local communities.

**QUESTION 1: What mechanisms have been put in place to promote, extend and encourage stakeholders' participation in the broad-based sustainable socio-economic development?**

### Indicators

- a. Assess the major legal, political and institutional factors that favour participation of all stakeholders, particularly**
- the promotion, extension and institutionalization of governance self-assessment exercise so that it becomes a national practice with a view to developing the sense of co-responsibility and mutual accountability between the State and its partners from private sector and civil society;
  - the decentralization process in order to promote participation with the required effectiveness in terms of skills transfer, availability of financial and human resources, and strengthening of operational capacities.
  - Involving stakeholders (local councilors, traditional authorities, associations and other civil society representatives) in the formulation and implementation of development projects so that the laws governing their accomplishment reflect broad consensus and make the rendering of accounts effective.
- b. Indicate the opportunities for ensuring effective participation of all stakeholders in the development of policies, mechanisms and monitoring-evaluation, especially with regard to fixing the agenda, formulation and implementation of development policies, control, monitoring and evaluation of policies and feedback mechanisms.**
- c. Indicate measures taken to strengthen appropriation of programmes, orientations and design of broad-based and sustainable socio-economic development, such as:**
- progressive programming approach in the various socio-economic sectors,
  - improvement of the budgetary approach of sectoral programmes by involving grassroots communities in sectoral programming activities,

- systematic popularization of documents of the national and sectoral programmes at various levels, especially decentralized levels,
  - strengthening support capacities of public services in each sector, particularly through training,
  - implementation of monitoring and evaluation system for progress accomplished.
- d. Describe the financial resources allocated for promoting and ensuring broad-based participation of all stakeholders.**
- e. Recommend measures for addressing observed weaknesses.**

**QUESTION 2: To what extent the private sector and civil society are involved in the design, formulation and implementation of development policies and strategies?**

### **Indicators**

- a. Describe the sectoral policies and strategies formulation and implementation process;**
- Assess the effectiveness of these sectoral policies and strategies in relation to the contribution of the private sector and civil society and their influence in decision-making;
  - Assess the effectiveness of the capacity of local councils to plan, finance and manage the delivery of services to their areas of jurisdictions;
  - Indicate mechanisms to revitalize the civil society through professional associations, confederations, trade unions, citizen networks, local institutions, traditional institutions.
- b. Describe the dynamics of the stakeholders, in terms of their contribution to the BSEED process, in particular through:**
- investment,
  - entrepreneurship,
  - job creation,
  - capacity building and social responsibilities
- c. Indicate measures taken to facilitate appropriation of the BSEED principles by stakeholders, in particular at the levels of:**

- adaptability,
  - effective legislative and judicial institutions,
  - strengthening of human capacities (recruitment and training in project programming and management),
  - free flow of information,
  - freedom of association and speech.
- d. Analyze the legal, political and institutional conditions facilitating consensus building, in particular concerning:**
- intermediation capacities,
  - electoral bodies and processes for free and regular elections,
  - legislative assemblies guaranteeing the rule of law,
  - decision-making capacities,
- e. Indicate mechanisms put in place for involvement of stakeholders in the orientation, development, implementation and monitoring and evaluation of BSED projects and programmes.**
- f. Formulate recommendations for eliminating constraints affecting the involvement of stakeholders in the appropriation of the BSED principles.**

### **Objective 3: Poverty, unemployment and inequality**

Poverty, unemployment and inequality are inter-related. The objective focuses on policies, strategies, mechanisms and incentive measures geared towards reducing poverty and inequality through employment creation, education for all as well as access to national resources and basic services.

**QUESTION 1: What policies and strategies has the government put in place to reduce poverty and inequality, particularly in terms of access to resources and basic services?**

#### **Indicators**

- a. Describe the legal, political and institutional measures adopted to give equal chances to all citizens for access, among others, to:**
- basic services (drinkable water, cleaning-up, education, health services, food, housing, ICTs...),
  - energy,

- employment,
  - social protection,
  - micro-finance,
  - markets,
  - equitable distribution of income.
- b. Describe national town and country planning policies and strategies for enhancing citizens access to land and property.**
- c. Assess strategies for enhancing and implementing public private partnership in basic services management.**
- d. Indicate measures in place to promote job creation through development of microenterprises, small and medium enterprises.**
- e. Describe mobilized and allocated financial resources as well as the allocation criteria in order to ensure equal chances.**
- f. Describe measures taken to promote respect of human rights for vulnerable groups in terms of autonomy and capacity to cater for their needs, in particular with regards to:**
- addressing the concerns of vulnerable groups in development policies and strategies.
  - improvement of vulnerable groups access to employment;
  - improvement of their access to sources and means of funding;
  - emergence of sectors of activities that employ vulnerable groups (offer of technical supervision in the management of income-generating activities).
- g. Analyze the legal, political and institutional factors that favour:**
- the strengthening of means for citizens intervention, guaranteeing equal chances, social and economic inclusion and access to resources and basic services;
  - the fight against social scourges (juvenile delinquency, sexual exploitation of women and young people, drug addiction, trafficking of women...)
- h. Present the trend of indicators for reduction of inequalities in development during the last five or ten years** (indices of parities, Gini coefficient, MDGs indicators, HDI indicators, regional and ethnic disparities) disaggregated by region, rural and urban areas
- i. Indicate constraints encountered in promoting equality of chances and measures taken to eliminate them and consolidate the progress made recommended measures for eliminating the constraints and consolidating the progress made.**

**QUESTION 2: What policies and strategies have been adopted by your country to combat social inequality, in particular with regard to people with disabilities?**

## Indicators

- a. **Describe policies and strategies geared towards combating social inequality, in particular with regard to people with disabilities**
- b. **Assess measures taken to**
  - Abolish regulations, customs and practices that discriminate against people with disabilities;
  - Mainstream disability in all policies and programmes and refrain from all practices that can lead to exclusion;
  - Closely consult with and actively involve people with disabilities in the development process
- c. **Identify constraints to the implementation of above policies and recommend measures to alleviate them**

**QUESTION 3: What are the national programmes, policies and strategies put in place to reduce poverty, in particular the feminization of poverty?**

### Poverty and feminization of poverty Indicators

- a. **Describe the national programmes, policies and strategies in support of poverty and hunger reduction, in particular the feminization of poverty;**
- b. **Indicate the legal, political and institutional measures taken to reduce poverty, in terms of:**
  - revised economic policies to facilitate poverty eradication and adapt them to the relevant strategies;
  - promotion of the grassroots (local) communities participation in the choice of strategies for promoting social welfare;
  - development of ethics in the management of government projects (establishment of a training system as well as of a control, monitoring and evaluation system, and financial and accounting audit);
  - existing national strategy for combating poverty.
- c. **Provide details on the volume and criteria for allocation of financial resources for accelerating the reduction and, eventually, elimination of poverty.**

**d. Assess the progress made by providing following information:**

- Last household survey and capacity of national statistics services;
- Proportion of population below USD 1.00 per day;
- Poverty line;
- Headcount ratio, Poverty gap ratio;
- Prevalence of underweight children under five years of age;
- Proportion of population below minimum level of dietary energy consumption
- Describe, where necessary, the system for regular monitoring of the state of pauperization in various social areas (efficient and updated database, regularly estimated poverty indicators ...)

**e. Identify constraints to the attainment of above goals and propose measures to overcome them and consolidate the progress made.**

**QUESTION 4: What are the national programmes, policies and strategies set up by the government to reduce child mortality, improve maternal health and combat HIV/AIDS, malaria and other diseases?**

**Indicators**

**a. Describe national programmes and sectoral policies and strategies set up to achieve the above goals**

**b. Assess the effectiveness of those policies and strategies in terms of:**

- The capacity of the National Statistics Institute to deliver;
- Under-five mortality rate;
- Infant mortality rate;
- Proportion of one year old children immunized against measles;
- Maternal mortality ratio;
- Proportion of births attended by skilled health person;
- Contraceptive prevalence rates for married people;
- HIV prevalence among population aged 15-24 years ;
- Proportion of population with advanced HIV infection with access to antiretroviral drugs;
- Incidence of death rates associated with malaria;
- Proportion of children under five sleeping under insecticide-treated bed-nets;
- Incidence, prevalence and death associated with tuberculosis.

**c. Identify constraints to the implementation of above policies and recommend measures to alleviate them**

**QUESTION 5: What policies and strategies are put in place for combating unemployment, particularly among the youth?**

**Indicators**

**a. Analyze the legal, political and institutional major factors that contribute to the fight against unemployment, in particular with regard to:**

- strategies and policies;
- development programmes;
- human resource development initiatives (training, qualification, education, reversing the national brain-drain trend ...);
- enabling environment for capital inflows.

**b. Describe measures and mechanisms taken to promote job creation, in particular among the youth, women and vulnerable groups:**

- Describe policies and strategies that have been developed and implemented in the major sectors of the economy with a view to promoting employment creation and alleviating poverty;
- Provide biennial report on the status of the implementation of the Ouagadougou Plan of Action on Employment and Poverty Alleviation in Africa;
- Provide information about the contribution of the informal economic and rural sector to productive employment and sustainable growth.
- Develop strategies using microfinance as a vehicle to achieve social goals.
- Formulate national policy and regulatory framework for financial access to low income categories in place.
- Provide number of microfinance clients who have transformed from informal to formal businesses.

**c. Indicate measures taken to combat unemployment, in particular with regards to**

- Dealing with social aspect of unemployment (government aid and support for the unemployed)
- Dealing with economic aspect of unemployment in terms of:
  - attractiveness of investment;
  - protection and increased competitiveness of enterprises;
  - access to resources (credit, micro-finance, land ...);

- youth employment (access to resources, vocational training, support structures, technical education ....).

**d. Through the results achieved and trends during the last five or ten years, provide evidence, of:**

- the rate and duration of unemployment in general,
- the rate and duration of unemployment among the youth, including the share of first jobseekers,
- the creation of small, medium and micro-enterprises;
- establishment and /or strengthening of national monitoring institutions

**e. Recommend measures for eliminating the constraints and consolidating the progress made.**

**Objective 4: Progress towards gender equality, in particular equal access to education for girls at all levels**

Under this objective, the APRM assessment will attempt to measure the progress made towards gender equality with special emphasis on equal access to education for girls at all levels. It will ensure that gender equality is taken into account during the formulation and implementation of the national planning and development policies and strategies. It will try to understand how the government and other local stakeholder are combating gender inequality and giving equal rights, responsibilities and opportunities to women and men, in particular to girls and boys in terms of access to education.

**QUESTION 1: What measures has the country taken to promote gender equality and with what results?**

**Indicators**

**a. Describe legal, political and institutional measures taken to promote gender equality and ensure effective participation of women in the BSSD in relation to:**

- Integrate a gender equality approach into all local and national processes and mechanisms of planning, budgeting, design and implementation of socio-economic development policies, control, evaluation and establishment of reports relating to national development strategies;

- 
- institute and implement efficient national control and evaluation mechanisms at all levels for assessing the progress made towards gender equality (collection, analysis and use of data and statistics broken down by age and by sex, and clarification of appropriate qualitative and quantitative indicators);
  - make effective the empowerment of women and ensure that an analysis of the gender-specific aspects guides the development, implementation, monitoring and evaluation of all policies and programmes, particularly in the areas of health, education and employment;
  - mobilize adequate funding for policies and development programmes concerned about gender equality;
  - effectively ensure for women and girls, and under conditions of equality, greater access to information and communication technologies;
  - ensure access of women to micro-credit and micro-financing programmes, which had proved to be efficient tools for empowering women
- b. Describe legal framework that ensures effective participation of women in the BSSD in relation to:**
- access to resources and their control;
  - education and access to information;
  - exercise of legal rights;
  - popularization, in national languages of the Individual and Family Code and other texts relating to women's rights; and
  - organizational, human and financial capacities of structures in charge of the promotion of gender equality, within the private sector and the civil society as well.
- c. Provide evidence of the progress made with regard to the following trends:**
- participation and contribution of women in all sectors and spheres of competence;
  - establishment of a statistical system on gender;
  - promotion of gender at all levels of education and training;
  - proportion of women occupying decision-making positions;
  - Proportion of seats held by women in national parliament.
  - any other indicator of gender disparity (e.g. disparities in salaries and incomes);
  - provide conclusions of the national assessment reports on the situation of women (CEDAW, BEIJING, Declaration of Heads of State on Gender Equality and Situation of Women, the additional Protocol on Women's Human Rights).

**QUESTION 2: What are the national programmes, policies and strategies set up by the government to eliminate gender disparities in primary and secondary education, and to achieve gender equality in education?**

### Indicators

- a. **Describe national programmes, policies and strategies geared towards eliminating gender disparities and achieving gender equality in education;**
- b. **Assess progress made during the last five or ten years by providing following information:**
  - Net enrolment in primary education;
  - Proportion of pupils starting grade 1 who reach last grade of primary school;
  - Literacy rate of 15-24 year-olds women and men;
  - Ratios of girls and boys in primary, secondary and tertiary education;
  - Number of female and male teachers;
  - Share of women in wage employment in the non-agricultural sector;
- c. **Indicate problems encountered during the promotion of gender equality and recommend measures for eliminating the constraints and consolidating the progress made.**