

Chapter 6

Strengthening SADC institutional structures – capacity development is the key to the SADC Secretariat's effectiveness

Leda Giuffrida & Helmut Müller-Glodde

1. Introduction

This paper combines inside and outside perspectives of the SADC Secretariat. It is based on recent study results (including the Job Evaluation Study, an Institutional Audit, and a Capacity Development Needs Assessment) and takes into consideration recent SADC Council directives and decisions with regard to strengthening SADC institutional structures. SADC institutional reform focuses on strengthening SADC governance and decision making as well as management structures, in particular, the capacities and competences of the SADC Secretariat, subsidiary organisations and SADC national institutional structures required to deliver expected Regional Indicative Strategic Development Plan (RISDP) and Strategic Indicative Plan for the Organ (SIPO) results. For this to happen, the Secretariat, as principal executive institution, needs a distinct organisational identity (as expressed in the Vision, Mission and Values Statement) as well as a clear and an agreed upon understanding of its mandate and core functions. It needs policies and strategies, which provide direction and give focus, and a conducive organisational and managerial structure.

From the authors' point of view,

- only a competent interplay of financial, organisational and management development inputs lead to a sustainable service delivery;
- SADC Institutional Capacity Development (ICD) has to be process- and value-based and has to consider economic, social and ecological issues;
- at individual level: people have to be enabled to participate in their society;
- at organisational level: organisational (institutional) development means to improve its business processes as well as the organisational and leadership culture;

- at societal level: to create an enabling environment such as law and order, participatory decision-making processes, an equitable, socially just and ecologically sound market system;
- ICD is management of transformation owned and driven by SADC management, who are responsible for the key result areas achieved; and
- ICD is a complex process and requires a high level of strategic and process management competence, to 'direct' the various players with their different ICD instruments towards more organisational effectiveness.

The paper analyses institutional capacity issues and emphasises an urgent need for change. It refers primarily to the integrated Secretariat Framework for Capacity Development, which has recently been endorsed by the SADC Council of Ministers for implementation and is based on the prioritised SADC Integration Agenda. The analysis includes critical issues of SADC's 'dance of change' and illustrates institutional challenges, opportunities as well as first achievements. Furthermore, the paper reflects on the role of International Cooperating Partners (ICP) in supporting the RISDP/SIPO implementation process and strengthening SADC's ownership and visibility. The proposed 'SADC Partnership Facility for Capacity Development' is seen as a potential step forward in implementing the Windhoek Declaration commitments. Finally, this article intends to show that in the last two years a momentum for change has been built up among SADC Institutions which could at last consolidate the institutional restructuring process initiated in 2001.

2. SADC Institutional restructuring

The Southern Africa Development Community (SADC) has undergone complex and challenging institutional restructuring efforts since its creation. The most significant is arguably the process initiated in 2001 at the Extra-ordinary Summit in Windhoek, where Head of States approved a Report on the Restructuring of SADC Institutions¹. The critical issue emphasised in the report was whether the organisation actually had the ability to promote regional cooperation and integration, and what would be the appropriate institutional framework to "make SADC a more effective and efficient vehicle for Community Building" (SADC 2001).

¹ Report on the Review of Operations of SADC Institutions March 2001

Key elements of the restructuring process were the following:

- the decision to streamline the institutional and management structures in charge of implementing and coordinating the SADC Common Agenda (centralisation of functions at the new SADC Headquarters in Gaborone, Botswana);
- the formulation and implementation of the socioeconomic and political frameworks, i.e. the Regional Indicative Strategic Development Plan and the Strategic Indicative Plan for the Organ on Politics, Defence and Security Cooperation; and
- the development of a self-financing mechanism in form of a regional SADC Development Fund.

The decision to develop the RISDP and SIPO was considered necessary to provide strategic direction to the Organisation. As the Chairperson of the SADC Council of Ministers at the launch of the RISDP explained, “the intention was to provide a clear direction for the region’s policies, programmes and activities over the long term. [The RISDP offers] the blueprint [SADC] must follow for the region’s liberation from poverty”.²

However, the RISDP provided a very broad spectrum of priority intervention areas, strategies and activities. During the Summit of October 2006, the need for re-prioritisation of the RISDP was in fact one of the two critical issues recognised that needed to be tackled in order to consolidate the restructuring process. This re-prioritisation exercise would ensure that resources were not thinly spread over too many projects and programmes. The second issue was the alignment of SADC Governance and Institutional Structures with priorities and limited resources.

At the time some commentators³ argued that the restructuring had been completed only in a “formal” sense and that the ‘engine room of the organization’ (the SADC Secretariat) remained particularly weak in its strategy development and policy formulation capacity as well as in its human and financial capacities.

² Speech by His Excellency Benjamin William Mkapa, President of the United Republic of Tanzania and Chairperson of SADC, at the launch of the SADC Regional Indicative Development Plan, AICC – Arusha, 12 March 2004.

³ Tjønneland, Isaksen and le Pere (2005).

However, since 2006 the Council has taken a series of decisions aiming at reviving and consolidating the restructuring process and boosting SADC internal capacities. A summary of relevant SADC decisions is provided in Box 1.

Box 1: Recent SADC Decisions on the institutional restructuring process

SADC Summit of August 2006, Maseru, Lesotho: The SADC Heads of State recognised the need to fast-track the implementation of the integration agenda and therefore set up a task force on Regional Economic Integration which comprised the ministers responsible for finance, investment, economic development, trade and industry. These were to advise on measures to scale-up and to accelerate the RISDP implementation process with special attention to the deeper regional economic integration priorities. The Heads of State also recommended strengthening the SADC Secretariat, reviewing the role of the Integrated Committee of Ministers (ICM), and focusing on selected priorities. Meanwhile the Council instructed the SADC Secretariat to evaluate all staff positions ('job evaluation' exercise), with the aim of realigning the Secretariat organisational structure to the SADC priorities.

Extraordinary SADC Summit of October 2006, Midrand, South Africa: The Summit reaffirmed the need to align the Secretariat structure to RISDP priorities, so as to turn the Secretariat into an efficient and effective instrument of regional integration.

SADC Council Meeting of March 2007, Maseru, Lesotho: The Council invited the Standing Committee of Senior Officials to reprioritise SADC programmes and projects, abiding by the RISDP guiding principles of 'additionality' and 'subsidiarity'. The idea was to avoid limited resources being thinly spread over too large a number of different projects and programmes. The meeting of Senior Officials⁴ was held in Lusaka in August 2007.

SADC Council Meeting of August 2007, Lusaka, Zambia: The findings of the Senior Officials were presented and the reprioritised programmes approved. The SADC Council of Ministers recommended that

- the reprioritised programmes become the focus of the Secretariat's activities;
- the Secretariat's financial resources and structure should be aligned to the approved priorities;
- member states should strengthen SADC institutions by building the capacity of the

⁴ SADC Prioritisation and Planning Workshop, 6-8 August 2007, Lusaka, Zambia

SADC National Committees and exchanging best practices on how to integrate the RISDP into national policies and strategies.

In addition, the role of the ICM was discussed. In July 2007, a task force of Senior Officials had met to review the added value of ICM functions and mandate in relation to the Council and Sectoral Ministers' Meetings.

Extraordinary SADC Council Meeting of November 2007, Lusaka, Zambia: The SADC Council decided to replace ICM with six Ministerial Clusters and also discussed proposals towards realignment of the Secretariat structure with SADC priorities and limited resources and, in particular, approved

- the proposed new management structure;
- the streamlined technical and administrative structures;
- the Castellion method for the job grading system; and
- the revised Performance Management and Appraisal System.

SADC Council Meeting of February 2008, Lusaka, Zambia: Recommendations regarding functions and responsibilities of the Secretariat's decision-making structures were taken during this Council Meeting. The Executive Secretary was to be responsible principally for strategic and sensitive issues, while management and technical issues should be delegated to the appropriate management level, i.e. the Deputy Executive Secretary and Directors' level.

SADC Council Meeting of August 2008, Johannesburg, South Africa: With regard to the strengthening of the Secretariat's capacities, a SADC Capacity Development Framework, developed by the Secretariat and presented at the SADC International Consultative Conference on Poverty and Development in April 2008, was endorsed.

3. Review of Institutional Assessment Findings & Recommendations

To understand the consolidation process of the SADC institutional restructuring exercise, one may start with the findings from three institutional assessments undertaken between 2006 and 2007:

- the 'Job Evaluation study' by KPMG with focus on aligning the SADC governing and Secretariat organisational structure, grading system, remuneration structure as well as performance management and appraisal system;

- the European Commission assessment through Ernst & Young, with focus on improving SADC Secretariat operating policies and procedures;
- the assessment of Institutional Capacity Development Needs of the SADC Secretariat supported by the German Government through Gesellschaft für Technische Zusammenarbeit (GTZ), with focus on strengthening staff competences, organisational cohesion and capacities.

Main findings and recommendations of the studies are summarized below in form of six core issues to be urgently addressed.

Issue 1: Structure

The assessments reviewed both SADC Institutional Structure (i.e. the governing structure) and the Secretariat organisational structure.

The current SADC Institutional Structure as laid down in the SADC Treaty comprises the Summit of Heads of State or Government, the Council of Ministers and the Integrated Committee of Ministers (ICM), the Standing Committee of Officials, the SADC Secretariat, and SADC National Committees.

Following the SADC Council directive to align the SADC structure to the new priorities, special attention was given to the role of the ICM, a relatively new institution created after the dismantlement of the Sectoral Committees. The ICM is to carry a sort of quality assurance function (SADC Treaty, Art. 12), overseeing the activities of the technical directorates at the Secretariat and monitoring the implementation of the RISDP. At the same time, the ICM is to provide policy guidance to the Secretariat on the areas of integration (i.e. Trade, Industry, Finance and Investment; Infrastructure and Services; Food, Agriculture and Natural Resources; Social and Human Development and Special Programmes). Finally, the institution has the authority to make decisions related to the programmes so as to speed up their implementation.

The main problems observed were that, due to its wide range of representatives⁵, the ICM was not able to provide the policy guidance as expected, and its dysfunctional

⁵ The ICM consists of at least two ministers from each member state but the SADC Treaty does not dictate the composition.

structure did not add value to SADC decision-making processes. As the ICM seemed unable to fulfil its mandate, some of the former Sectoral Committees were reestablished in some key areas, for example, Energy and Trade (Tjønneland et al. 2005), thus duplicating structures and efforts. Consequently, it was recommended to restore Sectoral Committees of Ministers in line with SADC regional integration priorities because these institutions were actually in a better position to provide policy guidance.

In terms of the SADC Secretariat's organisational structure, the studies assessed the key decision-making positions (Treaty positions) as well as its technical and administrative structures. They found that the division of labour, reporting lines and responsibilities between the three top management positions, in particular between the Deputy Executive Secretary (DES) and the Chief Director, were neither clear nor consistent with the Treaty provisions. Unclear lines of authority and responsibilities might prevent coordinated decision making at the top management level and consequently reduce the Secretariat's efficiency and performance.

To address these issues, the studies outlined two alternatives:

- a second DES position could be established to replace the Chief Director position: one DES would be responsible for the activities of the technical directorates, the other DES would oversee the support functions such as administration and finance;
- two Chief Directors would be appointed, who would report to the DES, with a similar division of labour as described above for the two DES positions.

Regarding the Secretariat's administrative structures, the assessments recommended a streamlining of the organisational units responsible for the support functions.

Issue 2: Vision, Mission, Values and Mandate

It is fundamental for SADC to have a distinct organisational identity based on its Vision, Mission, Values and Mandate, which need to be effectively communicated and understood by all staff. Even though the Secretariat formally has a clear Vision

and Mission and Value Statement⁶, it seems that more work is required to internalise it. This also applies to the respective values, organisational culture and cohesion.

Issue 3: Leadership and result orientation

Leadership is in general the key component of successful institutional development processes. In this context, the role of the leaders is to provide an environment in which reforms, innovation and capacity development can occur. It was recommended that, due to the new composition of staff and management, the Secretariat's senior management functions and responsibilities need to be clarified as well as supervision and reporting lines.

Due to the numerous functions of the Secretariat, senior management needs to balance for time spent by the directorates on each of their core functions. The senior management should regularly review the plans of the directorates to ensure their consistency with the Key Result Areas of RISDP and SIPO.

In terms of leadership style, results-based management is deemed to be a prerequisite if SADC shifts its focus towards key result areas linked to key performance indicators in its operations.

Issue 4: Strategy and policy formulation

The Secretariat requires strategic direction to guide its over-all actions and day-to-day work. To this effect, the two strategic documents (RISDP and SIPO) need to be unpacked. The Secretariat has already started such a process for the RISDP by developing:

- a unit-based 15-year RISDP Implementation Framework, with milestones defined;
- directorate-/unit-based 5-year RISDP Strategic Plans (now 2009/10–2013/14);
- detailed directorate-/unit-based Annual Business Plans and Budget.

⁶ The Secretariat's Vision is: 'A reputable, efficient and responsive enabler of regional integration and sustainable development'. The Secretariat's Mission: 'To provide strategic expertise and coordinate the harmonisation of policies and strategies to accelerate regional integration and sustainable development'. The Secretariat's Values: 'Quality service and competency, professionalism; integrity; commitment and passion; team spirit; mutual respect and trust; courtesy; equality of opportunity; transparency and frankness'.

An urgent need was identified to strengthen Secretariat's policy and strategy development capacities. Secretariat management and senior staff need to be trained in the use of policy and strategic management tools for defining and measuring results. In this context, the role of the Strategic Planning, Monitoring and Reporting is extremely important. Technical directorates need assistance in using these tools for developing their sectoral strategies and improve coordination with other regional strategies. The cross-cutting Policy and Strategic Planning, Monitoring and Reporting function of the Secretariat needs to be strengthened in order to provide strategic direction to member states and to ensure robust monitoring of RISDP implementation and achieve synergies between directorates.

In conclusion, in order to fulfil more effectively its functions the Secretariat needs to be strengthened in the following areas: systematic policy analysis, strategy development and setting policy priorities, as well as planning, monitoring and reporting.

Issue 5: Processes and systems

The assessment of SADC operating policies and procedures, in particular, Accounting, Audit, Internal Controls and Procurement tested Secretariat's procedures against international best practices.

The assessors found that the SADC Rules and Procedures⁷, approved by the Council in August 2006 and implemented from April 2007 onwards, do not always clearly document actions with regard to procedures, roles and responsibilities. Consequently, the Secretariat services have difficulties to adhere to the approved Rules and Procedures and need guidance. However, the assessment was concomitant to the implementation of the new Rules and Procedures, and desk instructions or activity manuals had not yet been developed at the time.

Overall, the assessment uncovered some weaknesses in the four areas of the Secretariat financial management system, which could be strengthened with additional capacity development support, ensuring the application of international standards. The application of international best practices is expected to improve

⁷ The New SADC Rules and Procedures include SADC Procurement Rules and Procedures, SADC Financial Regulations and Procedures, SADC Internal Audit Charter and SADC Standing Orders.

management and accountability, the efficiency and effectiveness of the SADC Secretariat.

Issue 6: Staff and HR management

In terms of recruiting, the two most critical constraints observed by the assessments refer to the issues of the 'needs driven growth' of the Secretariat and the adherence to a recruitment system based on national quota, which assures a balanced representation of all SADC countries.

The Council meeting in Arusha in 2004 decided that the expansion of the Secretariat's structure should be incremental in response to the justifiable increase of functions and activities required to implement the deeper regional integration agenda. According to the assessment, this arrangement 'impacted on the functional relationships of the core business of the Secretariat, the directorates and organisational units' (Kasanga et al. 2007).

In addition, a non-competitive remuneration policy and the quota system limit the number of staff that can be recruited from any single country. These may prevent SADC from recruiting the best candidate for a given position or even from filling an approved position, thereby creating a situation where the current staff's workload becomes excessive. In fact, one of the assessments found a severe mismatch between the activities to be undertaken by the directorates according to the Strategic Plans and the staff available to do so.

Thus, the assessment concluded that the Secretariat 'may not be able to discharge its role and responsibilities exhaustively and effectively due to staff shortages' (Ernst & Young 2007).

The analysis of the six core issues, based on the three studies, explores distinct but intertwined facets of SADC institutional constraints and expresses the need for:

- An organisational structure with clear reporting lines, well-defined roles and responsibilities, and with strong internal and external communication and coordination systems;

- Responsive recruiting and grading policies, a competitive remuneration system, and a robust performance and appraisal system;
- Robust and responsive operating rules and procedures, supported by an appropriate Management Information System;
- Adequate management practices and systems supported by staff with appropriate competencies, whose culture and value systems also provide the 'glue' required to make the Secretariat function more effectively and deliver its outputs (SADC Secretariat Capacity Development Framework 2008).

The assessments also gave recommendations on how SADC could address the identified institutional and capacity constraints. They envisage the development of a comprehensive organisational capacity development programme, providing a framework for the management of the institutional development process and capacity interventions.

The following section will explain how SADC dealt with the assessments and in particular how the Secretariat came back to this last recommendation.

4. SADC integrated approach to institutional capacity development

It has been established that SADC, in particular the Secretariat, faces a number of challenges in order to efficiently and effectively deliver RISDP and SIPO results. The assessments focused on institutional and human capacity constraints that need to be addressed without delay.

In the roadmap for implementing institutional change (SADC Secretariat Capacity Development Framework 2008), the Executive Management explained that the three core intervention areas for the consolidation of the SADC Institutional restructuring were:

- the reprioritisation process of the SADC Integration Agenda and the refocusing of the regional Governance Structures;
- interventions aimed at strengthening the SADC Secretariat Capacities and Management Processes ; and lastly,

- interventions to strengthen National SADC Governance & Management Structures (including regional subsidiary organisations, the SADC Tribunal and regional Centres of Excellence).

The process of reprioritising the SADC Integration Agenda started with the SADC Heads of State (Summit of August 2006) recommendation for the Secretariat to focus on selected priorities. Due to limited resources and the need to sequence RISDP activities, a prioritisation exercise was undertaken the following year. The Standing Committee of Senior Officials met in Lusaka in August 2007 to review the twelve intervention areas proposed in the strategic plan and to prioritise them according to their added value for the deeper regional integration process and contribution towards poverty reduction.

Based on the RISDP principles of subsidiarity, additionality, poverty reduction and variable geometry, the Council meeting of August 2007 in Lusaka approved the following programmes in support of deeper regional integration (SADC Council Record August 2007, Lusaka):

- Peace and security cooperation (democracy and good governance) as a pre-requisite for regional integration;
- Trade/economic liberalisation and development through progressive Market Integration, i.e.:
 - Free movement of goods, services and factors of production
 - Stability oriented macroeconomic convergence
 - Financial market integration and monetary cooperation
 - Intra-regional investment and foreign direct investment
 - Productive competitiveness and supply side capacity
- Regional Infrastructure and Services (transport, energy, water and ICT);
- Special programmes of regional dimension regarding Education and Human Resource Development, Health, HIV/AIDS and other communicable diseases, Food Security and Transboundary Natural Resources, Statistics, Gender Equality, Science and Technology.

The prioritisation exercise revealed that interventions in the above areas contribute to deeper regional integration and therefore would best be managed at central level by the Secretariat which should align its financial and human resources to reflect these priorities. Interventions outside these priorities should be considered areas for regional cooperation to be coordinated at member state level.

As far as the focusing of the governing structure was concerned, the key issue was the role of the ICM, which had been debated since its establishment. It has been argued that the ICM is not adding value and only duplicates the Council's role. In November 2007, the Council, after wide consultations, abolished the ICM (which had its last meeting in June 2008) and established six ministerial clusters, namely:

- Cluster for Trade, Industry, Finance and Investment (former Ministerial Task Force on Regional Integration);
- Cluster of Infrastructure and Services in Support of Regional Integration;
- Cluster of Food, Agriculture, Natural Resources and Environment;
- Cluster of Social, Human Development and Special Programmes;
- Cluster of the Organ of Politics, Defence and Security Cooperation;
- Cluster on cross-cutting issues related to Science and Technology and Gender.

The functions of these clusters was to provide policy guidance to the directorates in the core areas of regional integration, to review the progress made by the directorates, to ensure synergy among the different sectors, and to constitute the 'clearing house' for issues to be referred to Council.

The next step in the institutional restructuring process was the alignment of the SADC Secretariat's functions to the integration agenda. Core functions of the new Secretariat are (SADC Secretariat Capacity Development Framework 2008):

- 'Think tank' with the capacity to strategically advise and guide the member states on the implementation of the SADC Common Agenda;
- Principal regional coordinator of policies, strategies and programmes of the deeper regional integration process;

- Provider of support services (legal, administrative, financial and procurement services) to technical directorates; and organiser of annual consultative conferences and meetings of the SADC decision-making structures;
- Professional 'programme manager', to strategically plan and budget, facilitate the implementation process, monitor organisation programmes, and systematically report on progress in close coordination and cooperation with SADC stakeholders.

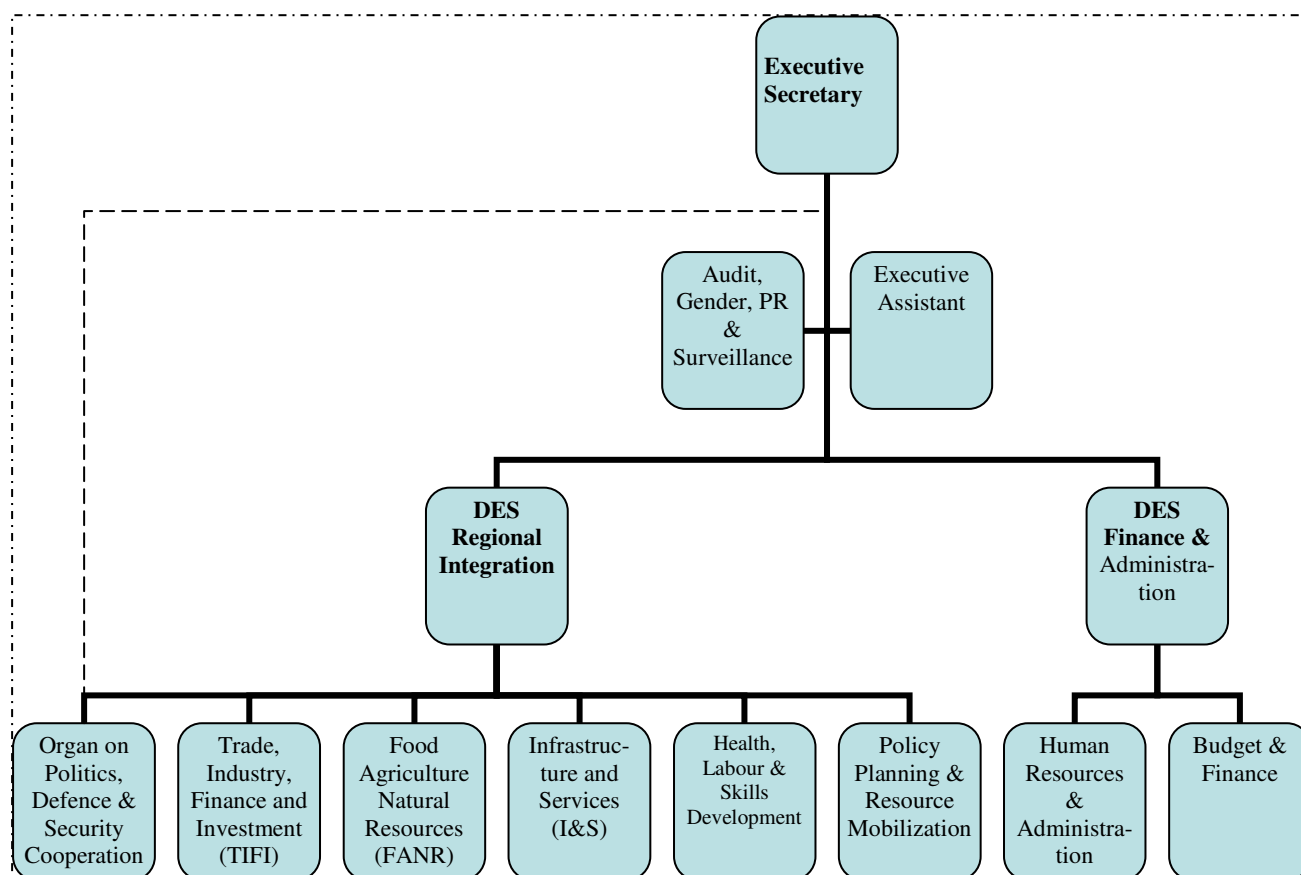
The Council approved a new SADC organisational structure based on proposals of the job evaluation study. The position of Chief Director was abolished and a second Deputy Executive Secretary position introduced. Thus, the two Deputy Executive Secretaries are to be responsible respectively for Regional Integration and for Finance and Administration. This new arrangement is expected to bring clarity into the lines of authority and improve coordination among senior management structures. The role and responsibilities of each Deputy Executive Secretary position shall be established and described within their respective job descriptions. Furthermore, the new senior management structure shall allow the Executive Secretary to hand over some of the management and business responsibilities, so as to focus on more strategic and sensitive issues⁸. The SADC Secretariat's organisational chart (Fig.1) reflects the newly aligned Secretariat organisational structure.

The Deputy Executive Secretary for Regional Integration is responsible for overseeing the programmes of regional integration of the technical directorates as well as the work of the directorate for policy planning and resource mobilisation. The latter is of great importance because it shall provide strategic direction to the Secretariat, recommend regional policies and coordinate with other Regional Economic blocks.

The Deputy Executive Secretary for Finance and Administration is responsible for the two directorates: Human Resources and Administration, and Budget and Finance. The new organisational structure streamlines the support functions of the Secretariat and established clear reporting lines.

⁸ SADC Council decision of February 2008

Figure 1: Secretariat organisational structure



Regarding the new Secretariat's structure, all job descriptions and reporting lines have been aligned to the Secretariat's new functions and to the SADC integration priorities. The new Secretariat structure requires serious strengthening of the Secretariat's human and managerial capacities and competences, if the Secretariat is to perform according to required standards.

Secretariat management recognised that in order to consolidate the restructuring process, it needed to develop an integrated framework for managing all capacity interventions. Thus, a 'SADC Secretariat Capacity Development Framework' was developed and presented by the Deputy Executive Secretary at the April 2008 SADC International Consultative Conference on Poverty and Development, in Mauritius. The document spells out the objective of the SADC Secretariat Institutional Capacity Development Programme (ICDP): improving operations by strengthening managerial skills and day-to-day business processes. It proposes a detailed plan with activities to

be undertaken within a set time frame and budget implications, with key results expected to be achieved.

4.1 SADC Secretariat Institutional Capacity Development Programme

The Secretariat Institutional Capacity Development Programme (ICDP) is an integrated and comprehensive capacity development response to the re-aligned Secretariat organisational structure and staff establishment in order to tackle internal institutional capacity constraints as identified in the various institutional assessment studies. The Secretariat, as principal executive institution, has to be strengthened according to its mandate, core functions, set priorities, vision, mission and values with the aim to efficiently execute its day-to-day business processes and to deliver expected results with regard to RISDP/SIPO programme implementation. Thus, the main objectives of ICDP are to consolidate the institutional restructuring process and to increase efficiency and effectiveness of the Secretariat, while strengthening managerial skills and staff technical capacities in order to provide quality service. Within the ICDP, the Secretariat has embarked on the following key intervention areas (SADC Secretariat Capacity Development Framework) as summarised in Figure 2. Implementation of the ICDP will not only require the full commitment of the SADC member states and the Executive Secretary, but also additional financial resources to be mobilised through support of International Cooperating Partners. Thus, effective engagement of ICPs will therefore be important.

4.2 First results of Institutional Capacity Development Interventions

Figure 2 shows the stages of each key intervention area and illustrates where work is already underway.

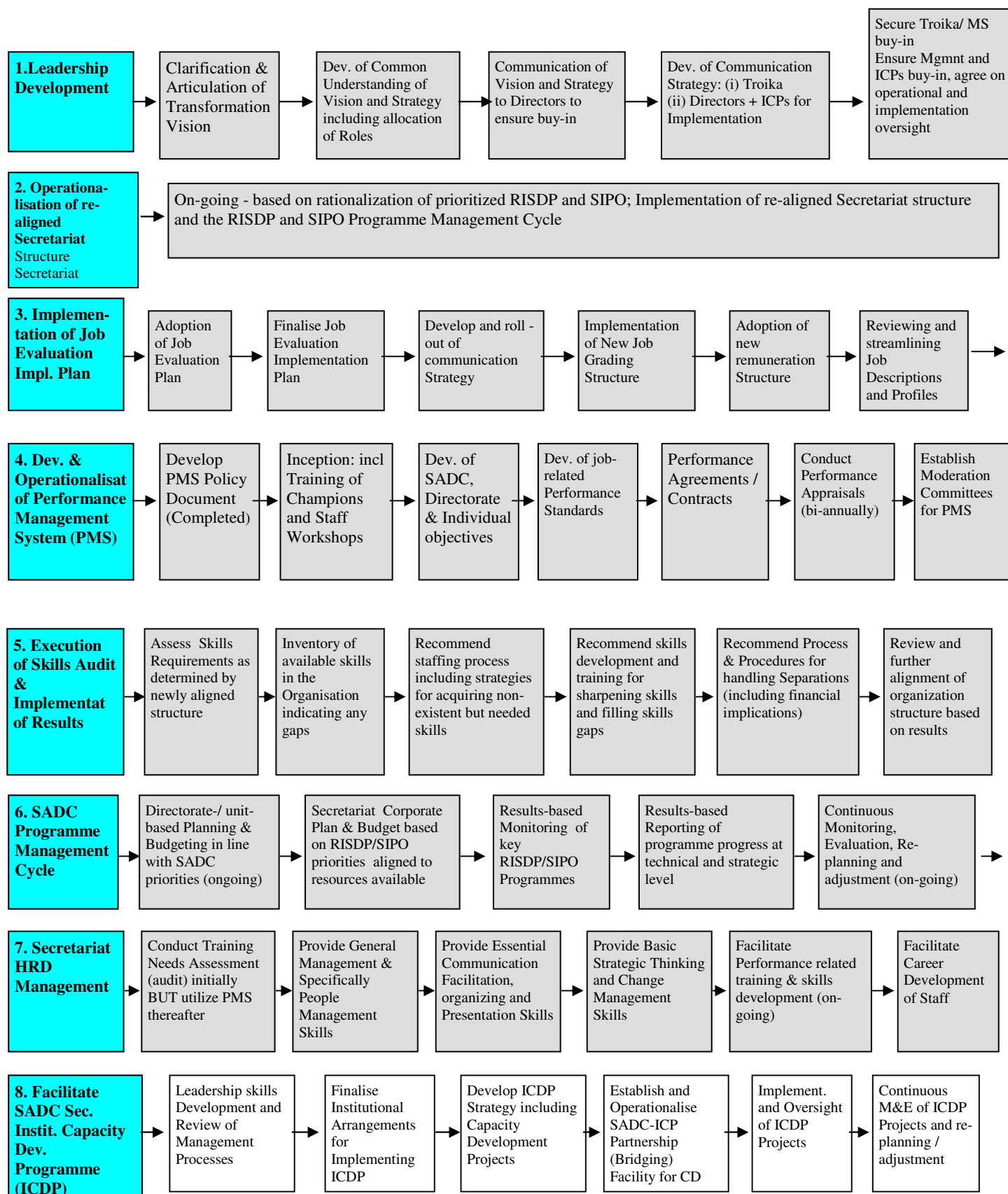
In 2007 Secretariat management institutionalised a SADC (RISDP/SIPO) Programme Management Cycle on the basis of the RISDP prioritisation and operationalisation exercise and the need for alignment of financial and human resources with the deeper regional integration priorities. Secretariat staff has now developed a directorate-based 5-year Strategic Plan and Budgets and more detailed one-year Annual Business Plans and Budgets outlining key result areas, outputs and indicators so that the governing structures and key SADC stakeholders can use them

to measure progress. This may be regarded as a strong move towards institutionalising the programme planning and monitoring function in the Secretariat.

The directorate-based strategic and operational plans together with the budgetary frameworks include sources of funding and indicate potential resource gaps. This provides a transparent platform for International Cooperating Partners to align their SADC support portfolios and contribute additional resources into SADC priority programmes.

Furthermore, ongoing interventions have led to the development of the Secretariat's Performance Management Policy, providing a guiding policy framework for the implementation of the Performance Management and Appraisal system. The overall objective of the policy is to outline roles and responsibilities of key players and to guide the implementation of the system.

Figure 2: Key Elements of the Consolidation of the SADC Secretariat Restructuring Process: Road Map



5. Implications of SADC restructuring and the Secretariat Capacity Development Framework for International Cooperating Partners

The SADC Secretariat Capacity Development Framework and its related Institutional Capacity Development Programme endorsed by the SADC Council of Ministers in August 2008 are driven by the Secretariat executive management. By implication, all Secretariat capacity development interventions supported by International Cooperating Partners shall fall under this framework. This is in line with the SADC-ICP Windhoek Declaration (Paris Declaration, Accra Agenda for Action) and corresponds to the five pillars of Aid Effectiveness, namely Ownership, Alignment, Harmonisation, Management with view to results, and Mutual Accountability. Thus, ICPs should align their SADC capacity development support with the Secretariat Capacity Development Framework, its Institutional Capacity Development Programme and priorities.

By applying the principles of the new SADC-ICP Partnership Framework ('Windhoek Declaration'), SADC proposes to establish a SADC Partnership Facility to be sourced through a Joint Programme Financing Arrangement. Such a joint SADC-ICP arrangement can make significant financial and technical assistance contributions to the implementation of the ICDP. Thus, Secretariat executive management has urged ICPs during the April 2008 SADC International Consultative Conference on Poverty and Development in Mauritius for a coordinated support towards a harmonised implementation of its Capacity Development Framework, using the Partnership ('Bridging') Facility. The 'Partnership Facility' can provide an entry point for ICPs to channel their funding support for the implementation of the outlined Secretariat Capacity Development Framework, assuring commonly accepted quality standards in managing and disbursing funds. It would also provide a temporary vehicle for 'on the job training' in operating ICP funds and the setting up of a common fund handling process. Capacity Development Projects funded by the Partnership ('Bridging') Facility for Capacity Development through a joint programme financing arrangement will greatly enhance SADC Secretariats' efficiency, credibility and ensure greater ownership.

Over time this vehicle will reduce transaction costs and enhance the fund absorption capacity of SADC through the establishment of a well coordinated, efficient and transparent fund handling process, beginning with the development of quality

Capacity Development Projects, prioritisation, effective implementation, procurement, spending and accounting and ending with comprehensive, result-based reporting.

6. Conclusions and outlook

The paper demonstrates that a momentum for change has been recently built among SADC institutions, in particular with regard to the Secretariat. It is essential for the organisation to keep up the momentum and consolidate the restructuring process so that the SADC Secretariat can fulfil its function and facilitate regional integration. Recent international developments (e.g. the global financial crisis, basic food price increase, climate change, oil price increase, regional energy crisis, and the regional negotiations for the Economic Partnership Agreements) have shown that SADC may be very vulnerable to the rapidly changing environment and that its institutions need to be strengthened in their policy formulation and strategy development capacities including conflict management, mediation and negotiation skills as well as regional forecast capacities to be able to respond adequately and adapt quickly.

SADC, and in particular its executive institution, needs to effectively and efficiently deliver expected results. The rapid results-oriented implementation of the recently approved institutional capacity development programme shall in fact increase the organisation's service delivery capacity. Some achievements in this direction have been made:

- SADC has a more focused governing and decision-making structure;
- SADC has a prioritised integration agenda and key regional integration programmes to be centrally coordinated and managed by the SADC Secretariat;
- the Integrated Committee of Ministers has been replaced by six Ministerial Clusters to guide and accelerate the deeper regional integration process;
- a Secretariat vision, mission and values has been developed and the core functions of the Secretariat as 'think tank', principal regional coordinator of policies, Provider of support services, and professional programme manager have been clarified;

- a new and more functional Secretariat organisational structure consistent with the Secretariat's mandate and in line with SADC integration priorities has been approved;
- the Secretariat presently implements the Council decision to align the SADC Secretariat's financial and human resources with priority areas and programmes of regional integration;
- a comprehensive SADC Secretariat Capacity Development Framework has been approved, and an institutional set-up to drive the implementation process of the ICDP is proposed;
- selected capacity development interventions such as the institutionalisation of the Performance Management and Appraisal System have been successfully started; and
- a joint SADC-ICP Partnership Facility for Capacity Development is proposed, and various ICPs have indicated their willingness to financially and technically support the implementation of the ICDP.

But, keeping in mind the limited human and financial resources (and institutional capacity constraints) at regional and national level; taking into consideration that policy formulation, strategy development, planning and budgeting of key regional integration programmes are an imminent political, interest-led process of negotiating and agreeing in order to add value and visible benefits to the ongoing national plans and programmes; and notwithstanding the significant achievements obtained so far, there are still structural, managerial and programme delivery challenges for SADC and its executive bodies at regional and national level to successfully deliver key regional integration programmes.

These short-, medium- and long-term challenges are:

- **rapid results-based implementation of the** (recently endorsed by Council) **SADC Capacity Development Framework and ICDP**, so that the Secretariat is able to play a more proactive and competent role in regional integration;

- **prioritisation and ranking of strategically important RISDP/SIPO** programmes with SADC member states for the next five year on the basis of approved RISDP/SIPO priorities;
- **clarification of roles** in implementing the key RISDP/SIPO programmes at regional and national level, that is role clarification with regard to decision making, planning, coordinating, programme management, monitoring and reporting of SADC institutional structures at regional and national level;
- **buy-in of key SADC stakeholders** and cooperating partners into key RISDP/SIPO programmes through trust building and participation at various levels, political commitment, and mobilisation of resources: the need to align their resource envelopes with prioritised RISDP/SIPO programmes;
- **member states need to jointly demonstrate strong political commitment to the common values laid down in the SADC Treaty;**
- **SADC visibility and ownership**, in particular in driving SADCs priorities and key regional programmes needs to be strengthened;
- **need to strengthen SADC National Coordination and Implementation Structures** (Come 2007) in line with SADC priorities;

It is quite evident that member states are at different stages in the establishment and operationalisation of SADC National Committees (SNCs) and strengthening of RISDP/SIPO implementing structures. Some member states have taken a number of progressive steps to institutionalise the SNCs, supported by dedicated resources. Others, however, appear to have accorded SNCs low priority, leaving the responsibility for coordinating SADC programmes at national level to a single or a few officers within the National Contact Points. In future it is important that, with regard to SADC's priorities, the relevant sector ministries become involved to accelerate the RISDP implementation process at national level and that RISDP/SIPO programmes are

- 'unpacked' amongst the member states so as to determine levels at which specific interventions are to be implemented;

- integrated into national annual and medium-term plans and budgets by the member states;
- coordinated, implemented, and monitored according to regionally agreed performance benchmarks that all member states adhere to;
- more visible and owned by SADC stakeholders at national level.

Consequently, the national coordination and implementing structures of RISDP/SIPO programmes have to be adequately technically capacitated and resourced, and the communication and coordination lines between all public, private sector and civil society actors involved at different levels have to be strengthened and responsibilities clarified (SADC Secretariat Capacity Development Framework).

Further short-, medium- and long-term challenges are:

- **the need, in particular, to strengthen RISDP/SIPO Planning and Operationalisation of key SADC programmes at National level:**

the attainment of the SADC goal will largely depend on the extent to which member states will implement prioritised RISDP/SIPO. This implies that member states should become deeply involved in developing and implementing national plans that are in line with aspirations of the RISDP. Thus, the RISDP/SIPO planning and budgeting at national level should correspond with the overall RISDP Implementation Planning Framework at regional level, and at the same time the regional RISDP planning framework should be aligned with the national development processes in the respective SADC member states. Translating RISDP objectives, priorities and programmes into action requires an operational framework at regional and national level. For many SADC member states, the Poverty Reduction Strategy Paper (PRSP) will constitute the primary strategic and implementation vehicle to meet RISDP/SIPO targets. Within the framework of their Country Strategy Papers, SADC member states will need to develop their own, country-specific numerical and time-bound RISDP/SIPO implementation plans directed at meeting the RISDP objectives and priorities, and also articulate the respective policies and programmes to attain these. Consequently, each member state should include a chapter on regional integration (RISDP/SIPO) programmes in their respective National Plan and

Budget, which highlights the relevance of regional integration goals to their short- and medium-term national strategies and policies and provides information on their resource allocation to implement RISDP/SIPO programmes at national level;

- **setting up a results-based monitoring, evaluation and reporting system at national level:**

Under the leadership of the National Contact Points, designated in the member states, the SADC National Committees have the responsibility to provide coordination function in the development of the Monitoring and Evaluation framework for RISDP at national level. To own and sustain the system, the RISDP Monitoring framework should be an integral part of the central planning system of the national governments. In many countries monitoring of national development goals and objectives is the responsibility of planning commissions in the office of the president and cabinet or ministries of economic planning and development. The National Contact Points in the Ministries of Foreign Affairs (in a number of countries in the region) provide the interface with the SADC Secretariat. The National Contact Points need to ensure that they integrate RISDP/SIPO programmes in their national plans and budgets which have to be implemented by line ministries where sector-specific country targets and objectives are concerned. The achievements of the RISDP targets at national level will have to be regularly reported (i.e. quarterly and annually) to the Central Planning Commission who in turn will have to report to SADC Secretariat. The country reports will then be aggregated into a regional report. The SADC National Committees with their coordinating responsibility will from time to time review and endorse the country-based RISDP/SIPO progress reports before they are finally sent to SADC Secretariat. The annual RISDP/SIPO country report will inform the wider public and policy and decision makers of progress towards major milestones of the deeper regional integration programmes. It is essential that these country-specific RISDP reports do not generate parallel processes but should support good statistics and strengthen national implementation capacities for RISDP including capacities in poverty monitoring and analysis.

- **need for a solid institutional two-tier structure at regional level: political and technical:**

Due to its mandate, SADC has both a political and a technical role. Consequently, the Secretariat should be structured accordingly, so that the Executive Secretary is able to perform his core functions as laid down in the SADC Treaty. The Executive Secretary needs additional policy and strategy development capacities, to strategically advise member states on important regional integration policy issues and additional technical capacities and competences in programme management, planning, monitoring, finance, procurement and administration.

The Secretariat requires an institutional two-tier-structure with three departments:

- (i) a department in charge of policy formulation and strategy development to provide strategic direction and guidance of the SADC Common Agenda, particularly of the RISDP/SIPO road map (i.e. first tier: political in nature, with focus on policy and strategy development);
- (ii) a department responsible for key regional integration programmes with the overall technical function to professionally plan, promote, facilitate and monitor the programme implementation process of the politically prioritised programmes in close coordination and cooperation with SADC stakeholders and ICPs (i.e. second tier: technical in nature, with focus on programme management); and
- (iii) a department responsible for the financial management and administration of the key regional integration programmes (i.e. second tier: technical in nature, with focus on programme finance, accounting, audit, internal controls and procurement).

The three departments with their own distinct organisational culture within the institutional two-tier structure are interlinked and have to deliver different quality services in order to contribute through deeper regional integration to more productive competitiveness, political stability, peace and security, poverty reduction and sustainable development. Already in June 2006, the ICM

highlighted the need to strengthen both, the political and technical mechanisms to drive the integration agenda.

- **need to strengthen the mandate of the Executive Secretary**, to meet the deeper regional integration challenges and to strategically advise the Member States on important regional integration issues;
- **institutional strengthening according to mandate and principles of added value and subsidiarity of regional (SADC) subsidiary and stakeholder organisations** including
 - Development Finance Resource Centre (DFRC), River Basin Organisations (RBOs), Southern African Power Pool (SAPP), Regional Electricity Regulators Association (RERA), Regional Tourism Organisation of Southern Africa (RETOSA), Regional Peace Training Center (RPTC), regional Centers of Excellence (e.g. GOBABEB Training and Research Centre, CESPAM)
 - SADC Parliamentary Forum, SADC Electoral Commissions Forum, SADC Council of NGOs
 - SADC Private Sector Business Self-Help Organisations such as ASCCI, FESARTA, MIASA, SACAU, SADC Bankers Association (SBA), and SADC Employers Group (SEG)

in response to the growing institutional challenges within the SADC region and the need for more coordination, harmonisation, and broader participation of all SADC stakeholders in key SADC programmes.

- **strengthening of the institutional capacities of the SADC Tribunal** according to its mandate and role as defined in the SADC Treaty.

As far as strengthening the Secretariat's capacities is concerned, the Secretariat Capacity Development Initiative can be successful only if the Institutional Capacity Development Programme is systematically planned and implemented, with strong leadership commitment.

Lastly, the need to establish and implement a robust Monitoring, Evaluation and Reporting System for SADC is not only an essential management tool for Quality

Assurance but also very urgent to adequately institutionalise if the RISDP/SIPO implementation process is to be managed efficiently and effectively. The system should be simple, manageable and versatile enough to be utilised and applied at all levels of RISDP/SIPO implementation.

If you want to travel fast –
travel alone
If you want to travel far –
travel together.

(African proverb)

References

- Come, E. 2007. *Institutional Capacity Development Needs of the SADC National Committees*. Commissioned by SADC Secretariat supported by German Government through inWent.
- Ernst and Young, 2007. *Institutional Assessment of the SADC Secretariat*. Commissioned by Delegation of the European Commission in Gaborone.
- Isaksen, J. 2002. *Restructuring SADC – Progress and Problems*. CMI Report.
- Isaksen, J. 2004. *SADC in 2003: Restructuring and Progress in Regional Integration*. CMI Report.
- Isaksen, J. and Tjønneland, E.N. 2001. *Assessing the Restructuring of SADC – Positions, Policies and Progress*. CMI Report.
- Kasanga J., Lisindi J. and Partners. 2007. *Institutional Capacity Development Needs of the SADC Secretariat*. Commissioned by SADC Secretariat supported by German Development Cooperation (GTZ).
- KPMG. 2007. *Job Evaluation Report*. Commissioned by SADC Secretariat.

Le Pere, G. and Tjønneland, E.N. 2005. *Which way SADC? Advancing co-operation and integration in Southern Africa*. Institute for Global Dialogue Occasional Paper No. 50.

SADC. 2003. *Regional Indicative Strategic Development Plan (RISDP)*.

SADC. 2003. *Strategic Plan for the Organ (SIPO) on Politics, Defence and Security Cooperation*.

SADC. 2008. *SADC Secretariat Capacity Development Framework*.

Report on the Review of Operations of SADC Institutions March 2001, the SADC Summit, held in Windhoek, Namibia adopted the Report on the Review of Operation of SADC Institutions

SADC Extra-ordinary Summit Record, Windhoek, March 2001

SADC Council Record August 2007, Lusaka

SADC Council records, 2001-2008

Tjønneland, E.N., Isaksen, J. and le Pere, G. 2005. *SADC Restructuring and Emerging Policies. Options for Norwegian Support*. CMI Report.

Tjønneland E. N. 2006. *SADC and Donors – Ideals and Practices. From Gaborone to Paris and back*. Formative Process Research on Integration in Southern Africa (FOPRISA). Botswana Institute for Development Policy Analysis;

The Windhoek Declaration on a New SADC-ICP Partnership, April 2006

Abbreviations

ASCCI	Association of SADC Chambers of Commerce and Industry
CESPAM	Centre of Specialization in Public Administration and Management
DES	Deputy Executive Secretary
ES	Executive Secretary
FANR	Food, Agriculture and Natural Resources (Directorate, SADC Secretariat)
FESARTA	Federation of East and Southern African Road Transport Associations
I&S	Infrastructure and Services (Directorate, SADC Secretariat)
ICDP	Institutional Capacity Development Programme
ICM	Integrated Committee of Ministers
ICP	International Cooperating Partner
ICT	Information and Communication Technology
RERA	Regional Energy Regulators Associations
RISDP	Regional Indicative Strategic Development Plan
SACAU	Southern African Confederation of Agricultural Unions
SADC	Southern African Development Community
SIPO	Strategic Indicative Plan for the Organ
SNC	SADC National Committees
TIFI	Trade, Industry, Finance and Investment (Directorate, SADC Secretariat)

