The Central African Republic was a signatory to the first G7+ statement of April 2010 and has been an active member of the group ever since. Many of us have been following the deteriorating situation there with great concern.

Mr. Kovoungbo notes “The members of the G7+ also experienced crises in recent years, so we understand the challenges that CAR faces today.” Here is his report.

The CAR is in a crisis which is unprecedented. It is a real tragedy in terms of security, human dignity and economic, social and financial stability, not to mention the widespread gross violations of human rights. Everything has to be rebuilt. The country has been shaken for the last two decades by armed conflicts, political and socio economic crises that weakened public and private institutions leading to the destruction of social and economic infrastructure and a general deterioration of living conditions.

[continued page 2]
RECENT ACTIVITIES CONTINUED ...

In the third week of March a Memorandum of Understanding was signed between the g7+ and the International Labor Organization. This signing took place at the end of a High Level debate in Geneva and is intended to enhance cooperation between the ILO and the g7+ in line with the principles of the New Deal, particularly in the area of employment and job creation in g7+ countries. The Prime Minister of the Federal Republic of Somalia was in attendance along with the Chair of the g7+ and the General Secretary.

Early in April the Chair of the g7+ and the Chair of the OECD DAC Mr. Erik Solheim made a joint visit to Mogadishu, Somalia. At the heart of the visit was a desire to support the leadership of the Federal Government of Somalia and to discuss the implementation of the New Deal and in particular the Somalia Compact. Meetings were held with the highest levels of Government and the Prime Minister of Somalia, H.E. Abdiweli Sheik Ahmed emphasized the importance of national ownership and leadership in all stabilization and reconstruction efforts to be undertaken in Somalia.

The Annual Spring Meetings of the World Bank and IMF took place in Washington in the second week of April with significant events for the g7+ including a meeting with World Bank President Jim Yong Kim and a g7+/IMF Workshop to accelerate effective coordination in g7+ countries.

On the 9th of April, seven g7+ Ministers met with the WB President along with the Bank’s senior executive and other high level g7+ country representatives. The President noted that since the last meeting in October the Bank had created a new Jobs Focal Point and he pledged the Bank would help build national capacity in procurement and national statistics with a continuing emphasis on using country systems. H.E. Dr. Kairaala Marah, the Finance Minister of Sierra Leone, responded on behalf of the g7+ and discussed ways to better tailor assistance in fragile and conflict affected contexts, the need for more flexibility in engagement to support job creation and concerns about ongoing implementation of the policy to attract the best talent to Country Offices in fragile and conflict affected states. A frank, open and constructive dialogue followed.

The First High Level Global Partnership Meeting took place in the third week of April in Mexico. During this meeting the g7+ presented an important statement on the progress of the New Deal. The statement outlined the achievements of g7+ members since the signing of the New Deal and noted the ongoing challenges. It identified the need for real reforms to the aid strategies of the development partners, requiring political will. Partners were called to support the inclusion of a Peacebuilding and Statebuilding goal in the Post-2015 Development Agenda.

Finally in preparation for the g7+ Ministerial Meeting set to be held at the end of May in Lomé, Togo, and to plan for further activities to be held in 2014, the g7+ focal points met in Dili, Timor-Leste from the 5th to 10th of May.

COUNTRY UPDATE - CAR CONTINUED ...

Consequences of the crisis

On social matters: Forced displacement of populations [1.6 million IDPs and 62,000 refugees], Damage to the Educational System (looting and closing of schools), Damage of Health System (lack of qualified personnel, looting and destruction of infrastructure) and threats to food security and access to safe drinking water.

On security matters: Disruption of the defense and security forces, Looting, rape and extra-judicial killings, Emergence of militias: Anti-Balaka against Ex-Seleka, Deployment of French forces (SANGARIS) and African forces (MISCA). Approximately 10,000 war weapons [all calibers] circulating in the country.

On 20 January 2014 the National Transitional Council elected a new transition President, Catherine Samba- Panza, and a new government is now in place for the period from January 2014 to February 2015. The Government roadmap foresees the organization of a national reconciliation conference. The current date for the election is in February 2015, although it now seems very unlikely to be held as scheduled.

Since the change in political leadership in January 2014, the government has been unable to provide basic services in education and health. Only a few schools in the capital run but none of the schools in the districts have reopened yet. Civil servants began to receive their salary (after more than 4 months without salary) with the support of the international community. The Republican Guard and the police began to be operational but without military logistics. The Central African Armed Forces no longer play their role. Justice has not yet returned because the judges are all centralised in Bangui. However private sector activity has continued somehow, despite looting and many losses.

Concerning the media environment, people get information through the private media including newspapers and religious radio stations. The national radio also provides information but to date it does not cover the whole territory.

Relations with the g7+ and the development partners

The g7+ wanted to offer support to CAR in the spirit of “Fragile to Fragile” cooperation. Thus, the g7+ held a closed-door meeting with senior representatives from CAR on 7-8 March 2014 in Dubai. Following the awareness raising campaigns conducted by the transitional authorities, the religious leaders and the g7+, partners have had a common language to support the CAR Government. Never in the history of CAR crisis have all the partners been so well mobilized. The advocacy commitment of the g7+ Chair [roundtable in Washington, workshop with the IMF in April 2014 and participation of CAR to the Mexico meeting] proves its success. The g7+ has also contributed to the participation of CAR private sector, including employers’ representatives, at the IFC meeting for the first time in history.

The Government is currently putting in place a framework for aid coordination. Meanwhile, aid is coordinated by the UN system, including OCHA.

The next step is to restart the implementation of the New Deal in the CAR. [continued page 4]
MEET THE MINISTER

The g7+ is looking forward to holding its third Ministerial Meeting at the end of May in Lomé, Togo. When g7+ Ministers met recently in Washington DC the media team was able to interview Togo’s Minister of Planning H.E. Mawussi Djossou Semodji.

**g7+ Media:** Thank you Minister for your time. What are your hopes and expectations for the upcoming Ministerial Meeting in your country?

**Minister Semodji:** Firstly we are honored that our country was chosen for this important event. We hope that the Ministers who come to Lomé will share their experiences and especially the progress made in recent times. We hope to have a high participation from most of the g7+ Ministers so we can achieve the objectives of the meeting. We also look forward to the opportunity of this meeting to get a strong message to our partners so that they can understand our situation as fragile states and provide all the necessary support to the priorities of our states.

**g7+ Media:** How is Togo progressing and what are some of your challenges?

**Minister Semodji:** My country is a fragile state because we had a socio-political crisis and the suspension of aid for more than 15 years. Our economy had been battered and most indicators were negative. Growth was approximately 1% per year for a population increase of over 2.5% per year and we had big problems in terms of investment.

After the coming to power of President Faure Gnassinbé, we have made tremendous progress. We must recognize the great work of the political actors who were able to agree on a comprehensive political agreement which created the basis for a consensus to start the reconstruction.

In addition, Togo began its economic recovery with a Staff Monitoring Program with the IMF, which helped revive the reform and commit ourselves to economic recovery. Today our economy has made great progress. Since 2008 we have experienced relatively high growth rates: in 2012 and 2013 we had more than 5% growth. We have also built good infrastructure. When you come to Lomé, if you have not visited it for several years, you’ll see a city that has completely changed. Social indicators are also better. We have made progress in improving the doing business environment. We recorded very significant foreign investments, for example the construction of a container terminal at the port of Lomé which cost more than €400 million. Today development assistance has completely resumed, and all partners are here.

**g7+ Media:** What is your focus at the moment?

**Minister Semodji:** We are now in a phase where we want to have more significant growth rates that allow us to significantly reduce poverty. Our ambition is to achieve a growth rate of 7% per year minimum. For this we need a lot of funding, but our capabilities are still relatively low. For example, in 2013 our public investment absorption rate was only 70%. Even if we have high growth rates, we need to improve our absorption rate, especially regarding external resources in order to ask more funding from our partners. Also we need to mobilize more internal resources to be less dependent on external financing.

Today we still have some problems to reach a political consensus. Although we have made much progress, the upcoming elections are an opportunity where political consensus must be widely sought.

**g7+ Media:** How is the relationship with Togo’s development partners now?

**Minister Semodji:** Today we need a lot of resources to increase investments to achieve our growth objectives. But when you look at the IMF program conditionality, concessional resources have become very difficult to access for us because they are relatively rare today, especially after the global financial crisis. So we have investment needs and we need concessional resources. Our concern is to find a consensus on the financing of the economy in order to achieve our growth objectives. We want flexibility from the donors and more understanding so that we can move forward. But we already thank the donors because we find that most partners are aligned with the priorities we have set for the country.

**g7+ Media:** That alignment is good news. Can you give an example of how partners have aligned with SCAPE, your National Plan for 2013-2017?

**Minister Semodji:** Well as an example, for the programming of the 11th EDF the European Union made a thorough analysis of SCAPE and realized that we have a credible framework for them to align to - and that is that they do. It is the same for most donors today who have followed suit.

**g7+ Media:** Minister tell us a little about your own background before you took on this role?

**Minister Semodji:** I made a good part of my career at the Ministry of Finance. There was a long period during which I was the coordinator of the medium-term development strategy (that is to say the PRSP - Poverty Reduction Strategic Paper), so I was already in the field the medium-term planning. The difference when I was not yet Minister was the level of responsibility. Now, every day when waking up one thinks first of his professional responsibilities and sometimes even forgets his family!

**g7+ Media:** We have learned from these interviews that the role of a Minister is certainly a demanding one, requiring commitment and perseverance. We thank you for your time and look forward to when we next meet in Lomé!

---

WWW.G7PLUS.ORG
CAR continued...

The Minister of Economy has already met the UNDP Resident Representative to seek international technical assistance for the Fragility Assessment. Special sessions on CAR will be organized at the g7+ Ministerial Meeting in Togo late May and at the International Dialogue Global meeting in Sierra Leone mid-June. The announcement of the visit of the g7+ Chair to CAR in the coming months will be an opportunity to raise awareness with CAR authorities on the advantage to the New Deal and the g7+.

CAR would like the following support from the international community:

- Increase the number of UN forces to secure all the territory and contribute to the restoration of the State authority
- Increase the volume of humanitarian and development aid
- Provide international technical assistance to rebuild the Republican Army
- Assist the Government to pay salaries regularly.

As a last message, CAR thanks the g7+ family which has mobilized the attention of the international community to the crisis in the country. The g7+ focal point in CAR was in a site of IDPs fleeing hostilities in January 2014 and the Secretariats of the g7+ and the International Dialogue continued to communicate with him, first on a special session devoted to CAR during the INCAF meeting in New York, then on the meeting in Brussels on 11-12 February 2014. It is a mark of the solidarity of g7+ and one of its members that will remain etched in the memory of the focal point and that allows him to say that the CAR has true friends.

IN THE MEDIA

A number of blogs questioning the success of the New Deal prompted a response from the General Secretary of the g7+ in this blog featured in the Guardian’s Global Development Blog:

New deal for fragile states needs time and political commitment to flourish

The g7+ work in Fragile-to-Fragile cooperation was critical to the running of the April election in Guinea-Bissau. The voter turnout made headlines in articles around the world:

Guinea-Bissau has record turnout in elections

An article originally penned by the World Bank reporting on the meeting “Ending Conflict and Building Peace in Africa: A Call to Action” was republished in many African media outlets:

Fragile States are not a ghetto group of countries

For more links please visit the g7+ In the Media page on our website.

From the Desk of the GS

The third Ministerial Meeting of the g7+ is set to take place in Lomé, Togo on the 29th and 30th of May. We are very excited about this gathering which will be the third of its kind since the g7+ was established formally in Dili in April 2010. Our first Ministerial Retreat was held in Juba South Sudan in October of 2011 and the second was convened in Port au Prince, Haiti, October 2012.

The Lomé meeting comes at a very important time in the growth trajectory of the g7+. We will be considering steps to institutionalize the group to ensure that we maintain our momentum and build the frameworks we need to establish as we continue our journey. The little g7+ has transformed from an informal network to a respected voice and catalyst for change on the global stage.

I look forward to working together again in the spirit of cooperation and innovation that has characterized our group from its very beginnings.

Lastly on behalf of the Secretariat - a big THANK YOU to our hosts in Lomé, the Government of Togo.

Helder da Costa
General Secretary

g7+ Secretariat

Ministry of Finance, Kobe House, Palacio do Governo, Dili Timor-Leste

+670 331 0126, +670 331 0128, +670 7799 7727 (mobile), +670 7717 5017 (mobile)

Please refer enquires regarding the newsletter to the g7+ Media Team at g7plusmedia@gmail.com