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**UNITED NATIONS
ECONOMIC AND SOCIAL COUNCIL**

Distr.
LIMITED

E/ECA/PSD.4/14
9 January 1986

Original: ENGLISH

ECONOMIC COMMISSION FOR AFRICA

Fourth session of the Joint Conference
of African Planners, Statisticians
and Demographers

Addis Ababa, Ethiopia, 3-12 March 1986

REPORT ON ECA PLANNING ACTIVITIES (1984-1985) AND EXAMINATION OF
WORK PROGRAMME (1986-1989) WITH CONSIDERATION OF
THE OBJECTIVES, PROBLEMS TO BE ADDRESSED AND
STRATEGY FOR THE PERIOD 1990-1995

SECTION ONE: REVIEW OF ACTIVITIES IN THE FIELD OF DEVELOPMENT
ISSUES AND POLICIES - 1984-1985

Introduction

1. During the biennium 1984-1985, the ECA work programme was geared towards the systematic implementation of the major objectives and priorities of the Lagos Plan of Action, the Final Act of Lagos and the International Development Strategy. In this context, the work programme of 1984-1985 was developed and oriented to the identification of priorities and the analysis of the current problems and the constraints to Africa's development and the work of the secretariat was also undertaken with the important aim to help planners and decision-makers in the preparation of coherent and consistent development plans within the framework of appropriate strategies and policy measures.

Sub-programme 1: Socio-economic analysis, planning and projections

A. Socio-Economic Research

2. The secretariat regularly prepares an annual Survey of Economic and Social Conditions in Africa. The socio-economic performance of the African region together with an appraisal of development policies and programmes, and the effects of external development on the African economies were intensively reviewed in the surveys of 1982/83 and 1983/84. In this respect, the survey analysed the major socio-economic problems encountered and the policies initiated on the light of the implementation of the Lagos Plan of Action and the International Development Strategy. In accordance with the General Assembly resolutions calling for the periodic assessment of the implementation of the Third United Nations Development Decade, the secretariat also undertook a study on the review and appraisal of economic performance in Africa 1980-1985 in the light of the implementation of the International Development Strategy and its integral component the Lagos Plan of Action.

3. As an additional output, the secretariat prepared jointly with the ADB annual economic reports for 1984 and 1985 on the major economic problems facing the continent which were presented to the Tenth and the Eleventh Meetings of the ECA Conference of Ministers respectively.

4. Moreover, a study entitled «Africa's crisis and structural change» was undertaken by the secretariat in response to the request of the Committee for Development Planning. The paper focussed on the evaluation of the nature, and the management of the crisis in its immediate, medium- and long-term aspects. Particular attention was paid to the emergency situation, and the urgent rehabilitation needs of the critical sectors. The major operational problems of how Africa can make a successful transition from the emergency situation to the vigorous tackling of structural reforms, and the long-term structural problems. The study was discussed at the Resumed Twenty-First Session of the Committee and various proposals were made relating to the required support of the international community to Africa's efforts in resolving its present difficulties.

B. Planning and Projections

5. The 1984-1985 work programme on planning and projections was undertaken with the view to strengthening the planning machineries through inter alia the establishment of appropriate planning methodologies and programming techniques. The main features of the work programme included, firstly, technical assistance and advisory services in development planning. Assistance to member States was provided in plan preparation and evaluation, including setting up or improvement of planning and plan implementation machinery, economic projections and forecasts and special economic studies and analysis. Advisory services and technical assistance were provided to Mali, Chad, Benin, Mauritius and Rwanda in various aspects of planning and projections. Technical assistance was also provided to intergovernmental organizations like CILSS and CEPGL in connection with perspective studies for the CILSS countries and preparation of a five years development plan for the Great Lake Community.
6. In accordance with the recommendations of the second session of African Planners, Statisticians and Demographers, the secretariat continued to undertake missions to establish and implement the forecasting system in African countries. The modelling of the African economies was undertaken to enable the individual country's policy-makers to make quick, and appropriate adjustments to unexpected shocks such as the effects of drought quota restrictions and sudden changes in world prices for major export commodities. The system has now been implemented in two countries with the joint participation of ECA/ADB. Efforts are continuing to secure funds to enable the establishment of the system in other interested countries in the coming years.
7. On multi-sectoral planning models, the work programme of ECA consists of sectoral modelling in the field of energy, agriculture and industry. These models are envisaged to assist in the formulation of coherent and consistent national development plans and sectoral investment programmes so as to promote and effectively contribute to the building of planning capabilities at the country level.
8. The second and third sessions of the Joint Conference of African Planners, Statisticians and Demographers pointed to the need to improve the multi-sectoral planning models. The Conference requested the secretariat to examine the following areas: (a) specifically the impact of the changes of the technical coefficients overtime; (b) the incorporation of the informal sector in planning; and (c) the treatment of financial variables relating to prices and balance of payment variables. For this purpose, the second and the third session recommended the convening of a workshop on multi-sectoral planning models for African planning experts to examine the work in the above areas. The workshop is tentatively scheduled to be held in 1986 in Moscow and contributions of participating African experts are expected as inputs.
9. During 1984-1985 the secretariat reviewed the progress of the implementation of the Lagos Plan of Action. This review focussed on the current difficulties of planning in Africa. The review revealed that the current difficulties of planning in Africa originate notably from the high external dependency of African economies in areas of capital and intermediate goods, technology, manpower and financing of investment and the imbalance between the natural resources

and the level of their exploitation. The paper entitled «Review of the Progress made in the taking into account of the Objectives and Directives of the Lagos Plan of Action into the development Policies of the African Countries» was presented to the ECA Conference of Ministers during its eleventh meeting in Addis Ababa in April 1985. This document is made available to the Planners Conference as a background document.

10. In response to the directives of the Final Act of Lagos, the secretariat embarked on studies to assess the progress achieved in subregional co-ordination of sectoral plans. For the investigation of the subregional planning in the field of industry and agriculture, missions were mounted to the Headquarters of subregional institutions, specifically ECOWAS, UDEAC, CEAO, PTA, SADCC and the MULPOCs. Special importance was also attached to the evaluation of the technical co-operation institutions and the supportive measures needed for the enhancement, strengthening and the building of institutional set-up that would ensure the proper integration of the continent.

11. In accordance with Resolution 501 (XIX) ECA Conference of Ministers which recommended the undertaking of perspective studies at the subregional level, ECA, on the request of the CILSS, prepared a study on the perspective of economic development in CILSS countries. The study reviewed the socio-economic conditions in the 1973-1983 period and analysed the perspective of the subregion (1983-1998) under two scenarios: a historical trend scenario which assumed the continuation of the status quo and a development normative scenario which indicated the development path of the subregion on the basis of a successful implementation of the principles and objectives of the Lagos Plan of Action. The study was presented to a colloquium organized by CILSS during which various recommendation for the development of the subregion were made.

12. In line with the Declaration on Economic Situation in Africa adopted by the Twenty-First Ordinary Session of the Assembly of Heads of States and Governments of the OAU and in connection with the preparation for the Special Session of the United Nations General Assembly on the African Economic Crisis, the secretariat has undertaken studies that focuss on the identification of how Africa's Priority Programme for Economic Recovery 1986-1990, in its immediate, medium and long-term phases can be effectively implemented at the national, regional and international levels. Besides addressing the basic critical areas in Africa's development process and the structural problems and constraints, the study reviews the implications of the priority programme in terms of domestic policy reforms, subregional and regional prioritisation of programmes and the international support measures that would effectively rehabilitate the African economies and create a new foundation for development. The secretariat also reviewed the financial implications of the priority areas identified in Africa's priority programme and prepared country profile requirements for external assistance.

Sub-programme 2: Fiscal, Monetary and Financial Issues at the national level

13. Under this sub-programme, the secretariat has performed various activities to assist countries in designing of appropriate monetary and financial policies that would ensure better mobilization and utilization of resources as well as in strengthening the necessary monetary and financial institutions at the national level. The work programme consists of provision of technical assistance and advisory services and intensive research in critical areas with the view of initiating appropriate policies to improve the fiscal and monetary situation in Africa.

14. An indepth study on the balance of payment and foreign exchange leakage problems of African countries was presented to the Round Table of Governors of African Central Banks and Senior Officials of International Finance Institutions who made various recommendations relating to the regularization of the foreign trade sector in particular areas that are deemed necessary to ease the balance of payment problems in the short-, medium-, and long-term, and the rationalization of foreign exchange controls.

15. The secretariat has also undertaken a study on agricultural credit and the mobilization of resources in the rural sector with a view to devising strategies to improve the capabilities of credit institution, increasing resource mobilization in the rural areas, and enhancing agricultural development particularly of peasant farming.

Sub-programme 3: Least Developed Countries

16. ECA was mandated, under the previous of the Substantial New Programme of Action, to co-ordinate, monitor and follow-up the implementation of the SNPA at the regional level. To fully address itself to this task, an inter-divisional committee on LDCs was created within the secretariat to co-ordinate all regular and sectoral programmes of assistance to the African LDCs. The main feature of the core programme include: (a) technical assistance and advisory services in planning, programming and project design and preparation; (b) annual review of the economic and social conditions in African LDCs; (c) monitoring and follow-up of the implementation of the SNPA; (d) in-depth studies on priority areas identified by the African LDCs Ministerial Conference.

17. Technical assistance and advisory services in the field of planning and programming techniques, upon request of countries, were provided to Benin and Mali. The secretariat assisted Benin in the preparation of a national economic recovery plan (1985-1987), and Mali in the preparation of the documentation for the country's second Round Table Conference with Donors. The secretariat also gave support, upon the invitation of the concerned Governments, to Round Tables Conferences which were organized by Chad, Comoros, Gambia, Guinea-Bissau and Lesotho.

18. The secretariat prepared the «Review of Economic and Social Conditions in African Least Developed Countries, 1982-1983 and 1981-1984». The studies analysed the achievements in the various sectors since the inception of the SNPA in September 1981. The studies covered country-specific reports and made a regional appraisal of the macro and sectoral growth trends and economic performances, with particular emphasis on the major problems encountered and policies pursued in the countries.

19. In accordance with its mandate to monitor and follow-up of the implementation of the Substantial New Programme of Action, the secretariat prepared a study entitled «Regional Evaluation and Assessment of the Implementation of the Substantial New Programme of Action for African Least Developed Countries» for the global Mid-Term Review of the SNPA. The purpose of the study which was presented to the Fifth Ministerial Meeting of the LDCs and the Eleventh Meeting of ECA Conference of Ministers, was to make concrete proposals for the adjustment of the programme on the light of the experience of the African region so as to ensure its full implementation during the second half of the 1980's. The study analysed the progress achieved, problems encountered and prospects, especially in external resources flows and other support measures to the African LDCs in the context of Chapter I and II of the programme.

20. In 1984, the secretariat undertook an in-depth study on the pricing policies in the African Least Developed Countries. The study emphasized the importance of pricing policies in increasing productivity and output in the agricultural sector, particularly as regards the improvement of the critical food supply situation through the initiation of appropriate pricing policies, structures and legislation.

21. In 1985, the secretariat undertook a study on «The Extent of Industrial Capacity Under-utilization and its Impact on Industrial Development in Africa LDCs» with the aim of diagnosing the obstacles that inhibited industrial development and proposing strategies, and policy measures and actions for improving and increasing industrial capacity utilization in the African LDCs.

Meetings

22. The secretariat participated in and provided significant inputs to various international meetings, relating to the regular sessions of the United Nations Committee for Development Planning, the United Nations Inter-agency Consultations on the follow-up of the SNPA, and the Mid-term Global Review of Progress Towards the Implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries.

SECTION TWO: WORK PROGRAMME IN DEVELOPMENT ISSUES AND
POLICIES FOR 1986-1987

23. The objective of the work programme are centered around the accelerated implementation of the Lagos Plan of Action, the Final Act of Lagos, the International Development Strategy in the field of Development Planning, and the resolution of the current economic and social crisis facing Africa.

24. The main features of the work programme and priorities for 1986-1987 as adopted by the ECA Conference of Ministers, include:

Sub-programme 1: Socio-Economic Analysis, Planning and Projections

1.1 Technical assistance to countries and territories

Advisory services to member States, on request, in plan preparations and evaluations, economic projections and forecasting, the preparation of special economic surveys at the national and subregional levels.

1.2 Annual surveys of economic and social conditions in Africa

During 1986 and 1987, the preparation of the annual surveys will involve mounting of missions to a number of African countries in order to assess and analyse the socio-economic conditions. The reports of the survey for 1985-1986 and 1986-1987 and the Joint ECA/ADB Economic Report to the Thirteenth and Fourteenth Conference of Ministers of ECA respectively.

1.3 Use of socio-economic indicators in planning

During 1986-1987, the implementation of the system of socio-economic indicators which was proposed in 1984 will be closely monitored through continuous contacts with national planners and statisticians. Country case studies will be undertaken to evaluate the implementation of the system. In 1987, a workshop will be convened to review the implementation of the system and make proposals for its further improvement. The result of the workshop will be presented to the Fifth Session of the Joint Conference of African Planners, Statisticians and Demographers.

1.4 Perspective studies on the economies of the African region

(a) In 1986, indepth studies will be undertaken on the incidence, effects and policy implications of currency devaluation in some selected African countries, and the results will be presented to the Fifth Session of the Joint Conference of African Planners, Statisticians and Demographers.

(b) In 1987 indepth studies will be undertaken on the review and appraisal of the implementation of the International Development Strategy for the 1980's in the African region. The final report will be completed by the end of 1987 and will be presented to the Fifth Session of the Joint Conference of African Planners, Statisticians and Demographers.

(c) In-depth studies on mass poverty and income distribution will be undertaken during the course of 1986-1987 and the report will be presented to the Fifth Session of the Joint Conference of African Planners, Statisticians and demographers.

1.5 Short-term forecasting and outlook

The activity will continue during 1986 and 1987 to build social accounting based forecasting models in a number of African countries. The final output will be presented to the Fifth Session of the Joint Conference of African Planners, Statisticians and Demographers in the first quarter of 1988.

1.6 Multi-sectoral planning models

A workshop of a group of experts will be convened during 1986 on sectoral planning models covering the role of the informal sector, the transformation of technological coefficients and the incorporation of prices and the financial variables in social accounting models. The report of the workshop will be presented to the Fifth Session of the Joint Conference of African Planners, Statisticians and Demographers.

1.7 Analysis of national development plans in the light of the objectives and philosophy of the Lagos Plan of Action

Under this programme element, the work will concentrate during 1986 and 1987 on the critical evaluation and analysis of the scope and effectiveness of current national development planning practices in the light of the objectives of the Lagos Plan of Action. The study will serve as a useful guide in the formulation of national, subregional and regional development plans. The report on the study will be presented to the Fifth Session of the Joint Conference of African Planners, Statisticians and Demographers.

1.8 Sectoral planning in subregional co-operative arrangements

During 1986-1987, two subregions will be studied for the evaluation of potentialities and analysis of joint sectoral programmes especially in the field of transport and trade. The report on the study will be presented to the Fifth Session of the Joint Conference of African Planners, Statisticians and Demographers.

1.9 Development perspective of the African region

The activities under this programme element will consist of undertaking studies on the perspective of the African region by the year 2008 with the objective of formulating strategies and policies for solving critical development problems. During 1986-1987, the work will specifically include the analysis of the socio-economic development with particular emphasis on the effects of drought and other national calamities, the vulnerability to external factors and sensitivity analyses on elements such as the balance of payment and the capital availability constraints. The Report will be presented to the Fifth Session of the Joint Conference of African Planners, Statisticians and Demographers.

Sub-programme 2: Fiscal, Monetary and Financial Issues

2.1 Technical assistance and advisory services to countries and territories

Advisory services to member States, on request, in the field of fiscal, monetary and financial policies.

2.4 Effective links between fiscal and monetary policies and their impact on the balance of payments

During 1986-1987, the work will involve undertaking in-depth case studies of some African countries to evaluate the effectiveness and co-ordination of fiscal and monetary policies with the view of narrowing down the external imbalances. The study will be presented to the Fifth Session of the Joint Conference of African Planners, Statisticians and Demographers.

2.5 Mobilization of personal savings in African developing countries

During 1986-1987, the work will involve undertaking of in-depth studies in some African countries on savings and credit schemes with the view of recommending on ways and means of influencing the mobilization and deployment of savings in accordance with requirements and priorities of the national plans. The report on the study will be presented to the Fifth Session of the Joint Conference of African Planners, Statisticians and Demographers.

Sub-programme 3: Least Developed Countries

3.1 Technical assistance and advisory services to least developed countries

Provision of technical assistance and advisory services, on request, to African Least Developed Countries in planning, programming and project preparations.

3.2 Review of economic and social conditions in individual African least developed countries

During 1986 and 1987, the work will involve mounting missions and writing of country reports on the current problems and major economic trends in individual African Least Developed Countries. The reports will be presented to the Seventh and Eighth Meeting of the Conference of Ministers of African Least Developed Countries.

3.3 Follow-up and monitoring of the implementation of the Substantial New Programme of Action for the 1980's for the Least Developed Countries in the African region

During 1986 and 1987, the work will consist of undertaking field missions with the view of reviewing the progress, the problems and the prospects of the implementation of the SNPA in the African LDC's. The reports on the study will be presented to the Seventh and Eight Meeting of the Conference of Ministers of African LDCs.

3.4 In-depth studies in the economies of Least Developed African Countries

In 1986, a study will be prepared on drought and food strategies and will be presented to the Seventh Meeting of the Conference of Ministers of African Least Developed Countries.

In 1987, a study will be prepared on quantitative analysis of the implications of structural adjustment, and stabilization programmes on long-term growth and development in African LDCs, and will be presented to the Eighth Meeting of the Conference of Ministers of African Least Developed Countries.

SECTION THREE: PROJECTED WORK PROGRAMME FOR THE PERIOD 1988-1989
and 1990-1995

25. The projected work programme for the period 1988-1989 is based on the medium-term plan for the period 1984-1989 as contained in document A/37/6-General Assembly Official Records: Thirty-Seventh Session Supplement 4.6.

26. The secretariat will continue to review the current problems in the field of socio-economic development planning in the region and undertake in-depth studies in critical development areas with the view of assisting member States in the formulation and realization of consistent national development plans and initiation of appropriate national and subregional strategies and policy measures within the framework of the objectives of the International Development Strategy and its regional component the Lagos Plan of Action.

27. Under sub-programme 1 on Socio-economic analysis planning and projections the secretariat will continue to provide technical assistance and advisory services to African countries in the fields of general economic analysis, development planning, in the preparation of economic surveys in econometric modelling with the view of preparing subregional and regional outlooks.

28. Under sub-programme 2 on Fiscal, monetary and financial issues, the secretariat intends to undertake work relating to measures that would enhance the capacity of the fiscal machinery to increase its operationality as an effective policy instrument. A number of studies will be undertaken on the broadening of the tax base, tax reforms and rationalization of public expenditure. On the monetary side, studies will be undertaken on the link between the indigenous and money markets.

29. Under sub-programme 3 on Least Developed Countries, the secretariat intends to expand the technical assistance programme to LDCs in the field of development planning, review the final assessment of the prospects of the African LDCs under the programme of technical and financial assistance (1980-1990) envisaged in the SNPA, and undertaking of in-depth studies on the economies of the African LDCs.

30. During 1990-1995, the secretariat will continue to strengthen the capacity of the African economies for sustained development within the framework of individual and collective self-reliance as stipulated in the Lagos Plan of Action. The programme of work, in this respect, will aim at improving national mechanism for contingency planning for specific crisis, for comprehensive assessment of implementation of economic and social policies, and for increased subregional and regional co-ordination of plans.

31. The Final Act of Lagos has emphatically called for the integration of the African people, markets and the region's capital for the effective utilization of the regions abundant resources that would lead to the realization of the African Common Market and the African Economic Community by the year 2000. For the successful realization of this objectives, the work programme during the 1990's will attach special importance to the investigation of the potentialities, the alternatives and optimalities of resource allocations and the

evaluation of the economic and technical co-operation institutions and the supportive measures needed for enhancing the institutional set-up that would ensure the proper integration of the continent. Within this context the work will involve the undertaking of extensive spatial planning models, under various scenarios, to determine reallocation of industries within the context of comparative advantage and specialization.

32. The Joint Conference is, therefore, invited to make suggestions and recommendations to the broad elements of the 1988-1989 and 1990-1995 work programme with the view to enabling the secretariat to prepare a work programme for the 1988-1989 biennium for submission to the Thirteenth Meeting of the ECA Conference of Ministers.