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ECONOMIC COMMISSION FOR AFRICA

REPORT OF THE EXTRAORDINARY MEETING OF THE EXECUTIVE COMMITTEE
(Addis Ababa, 16-18 February 1976)

A. ATTENDANCE AND ORGANIZATION OF WORK

1. The extraordinary meeting of the Executive Committee was held in Addis Ababa from 16 to 18 February 1976. The meeting was opened on 16 February by Mr. Adebayo Adedeji, Executive Secretary of ECA, in the absence of Mr. Hwai Kibaki, Kenya, Chairman of the Conference of Ministers at its third meeting and current Chairman of the Executive Committee, who was unable to attend.
2. The meeting was attended by representatives of the following members of the Committee: Algeria, Burundi, Egypt, Gabon, the Gambia, the Ivory Coast, Kenya, Malawi, Mauritius, Morocco, Senegal, the Sudan, the United Republic of Cameroon, Zaïre and Zambia.
3. Also attending the meeting were observers from the following non-members of the Committee: Equatorial Guinea, Ethiopia, Ghana, Guinea, the Libyan Arab Republic, Nigeria, Rwanda, Sierra Leone, Uganda and the United Republic of Tanzania. A Representative of the United Nations Sahelian Office (UNSO) was present. The following United Nations bodies were represented: United Nations Children's Fund (UNICEF) and United Nations Development Programme (UNDP). Observers from the following specialized agencies were also present: International Labour Organisation (ILO), Food and Agriculture Organization of the United Nations (FAO), United Nations Educational, Scientific and Cultural Organization (UNESCO) and World Health Organization (WHO). The Organization of African Unity (OAU) was also represented.
4. The Committee elected Mr. L.B. M'Boge, Minister of Economic Planning and Industrial Development of the Gambia, as Chairman, Mr. Kapenda Mueme Ndambu of Zaïre as Vice-Chairman and Mr. Raymond Devienne of Mauritius as Rapporteur.

B. AGENDA

5. The Committee adopted the following agenda:

1. Opening of the meeting
2. Election of officers
3. Adoption of the agenda
4. Revised framework of principles for the establishment of a new international economic order in Africa, 1976-1981-1986
5. Proposals for the secretariat work programme for 1976-1981

6. Restructuring of the ECA secretariat
7. Other matters
8. Adoption of the report and closure of the meeting

C. ACCOUNT OF PROCEEDINGS

6. In his opening statement to the Committee, the ECA Executive Secretary recalled that the Committee was meeting specifically in order to complete discussions on the "Revised framework of principles for the establishment of a new international economic order in Africa 1975-1981-1986". He noted that it was generally accepted in Africa that the solution to national and regional economic problems were to be found in increased self-reliance, more meaningful and effective intra-African co-operation, the international development of relatively autonomous processes of growth, diversification and integration of the socio-economic system and increased co-operation with the third world countries, the advanced countries and the socialist countries. He also drew attention to the interdependence between ECA's long-term programme, the International Development Strategy, co-operation among African countries and the necessary structures for their application.

7. Governments had a vital role to play in bringing about a new social and economic order. He stressed the need to examine existing national institutions for development administration in order to re-orient and improve them and, if necessary, to devise new institutions to deal with such matters as economic co-operation at the national level. He also emphasized the importance of the role of Governments as entrepreneurs in the development of the region.

Revised framework of principles for the establishment of a new international economic order in Africa (agenda item 4)

8. The Committee had before it a "Revised framework of principles for the implementation of the new international economic order in Africa" (E/CN.14/ECO/90/Rev.2). Account had been taken in preparing the document of the comments received by the secretariat within the deadline set by the Executive Committee at its thirteenth meeting. Comments were invited from representatives of member Governments which had not submitted their comments in writing.

9. Most members of the Committee felt that the document was very comprehensive in its approach. However, additional emphasis needed to be laid on certain specific aspects.

10. One member of the Committee welcomed the general awareness that solutions to Africa's problems should be sought and discussed by Africans themselves. There was an urgent need to define a new international economic order, and his country was prepared to work with others to bring about changes in international relations so as to reduce injustices and the poverty of less well endowed nations. It was generally agreed that economic independence was a precondition for economic development. In the main, African countries exported raw materials and later re-imported the same raw materials in a finished or

semi-processed state. An end should be put to that state of affairs. Africa should endeavour to utilize its own resources through the adoption of modern technology, and individual countries should transcend their national boundaries in their efforts to develop the economies of the region. Economic development should be undertaken at regional and subregional levels as well as at the national level. He also stressed that special measures must be taken in favour of the Sahel countries and of the land-locked and semi-land-locked countries. Lastly, he emphasized that Governments should be the main promoters of economic development and the initiators of multinational projects.

11. Another member of the Committee expressed the view that the document before the Committee supplemented "Africa's Strategy for Development in the 1970s" [E/CN.14/Res/218(X)] which was the regional component of the global International Development Strategy for the Second United Nations Development Decade. He stressed the need for a larger degree of manufacturing and processing for export within African countries in the context of the restructuring of international trade. Attention should focus primarily on the integrated development of the industrial, agricultural and rural sectors, and to that end more attention should be given to education, training and human resources development.

12. Referring to the question of sovereignty over natural resources, one member referred to the externally induced problems, such as the usurpation of Africa's resources, of which mention had been made in the document. However, he felt that the document should throw light on the ways and means to deal with the problem of transnational corporations in Africa in terms of the control, management and marketing of Africa's resources.

13. Concerning the introduction to the document, it was suggested that greater emphasis should be placed on the political will of member States to establish a new international economic order. For greater impact, statistical data should support the analysis carried out in the introduction and stress should be laid on the commitments and obligations assumed by African countries at African gatherings as well as in the General Assembly. Reference should be made to the unequal stages of development reached by member countries of the region and of the differing rates of growth of their economies. An attempt should also be made in the introduction to define long-range and short-range strategies for the establishment of a new international economic order.

14. In the field of agriculture, it was felt that a number of areas had not been sufficiently emphasized in the document. With regard to food production, stress should be laid on the lack of investment in fixed capital and inputs and in the provision of agricultural credit and extension services. Co-operation was needed among groups of countries for the production and supply of fertilizer and seeds and the creation of regional stocks as well as in research, training, transport, storage and marketing. For the mechanization of agriculture, there was a need to consider the production of cheap tractors within the region. It was also pointed out that the development of water resources and the construction and maintenance of roads and communications systems in rural areas were vital for the region to become self-sufficient in food.

15. To emphasize the importance of increasing food production, reference should be made in the document to the resolutions adopted at the World Food Conference in Rome and at the Khartoum Food Symposium. The document should also bring out the lack of animal protein in African diets and the need to increase meat and fish production. It was also mentioned that more substantial treatment should be given to forest resources development and their conservation and expansion of forest industries.

16. Another area which needed strong emphasis was that of agricultural structures. Stress should be laid on the relationship between expanded agricultural production and the reform of land tenure systems, and on the production of modern, medium-sized, peasant family farms in order to increase both production and farmers' incomes.

17. Self-reliance in agricultural development should be sought through the adoption of agricultural policies at the national level oriented towards the consolidation of agricultural bases in member States. Such policies should fall within the context of regional economic integration so as to ensure the expansion and diversification of agricultural production, balanced and sustained growth at the regional and sectoral levels, the creation of surpluses for export, increased processing before export and the development of agro-industrial projects. A programme should be evolved to mobilize all human and financial resources of member States to develop effective machinery for the achievement of that goal.

18. Concerning industry, it was suggested that reference should be made to the need for well-defined national industrial strategies and policies. They should be reinforced through the setting up of institutions at the regional level to promote the harmonization of industrial policies by member States in order to develop basic industries. The specific aspects of industrial strategies requiring emphasis in the document were the development of labour-intensive industries, the local processing of raw materials, the role of industrial estates, pilot plants, integrated production units, the vertical restructuring of the industrial sector to avoid waste, backward and forward linkages and the development of rural, small-scale and export-oriented industries. In other respects, the complementarity between agriculture and industry should be brought out, particularly in the manufacturing of agricultural inputs. Reference should also be made to "industrializing" industries; the building materials industry was mentioned as an example.

19. As an important point of reference, the target set by the Lima Conference for the achievement of a 2 per cent African share of world industrial production should be clearly spelled out. In that context, institutions should be set up at both national and regional levels to facilitate research work and the adaptation and transfer of technology as well as the removal of tariff barriers and the creation of larger markets for industrial products.

20. The Committee felt that the section dealing with international trade could be improved in several ways. It should be clearly spelled out that decisions concerning the Generalized System of Preference should be taken jointly by donor and recipient countries especially with regard to the range of products which could benefit under the system. A similar approach should be adopted with regard to the duration of the application of that system which, under present arrangements, could be at the discretion of the importing country.

21. In the wider context of international relations, specific programmes should be formulated to consolidate the gains already made under international agreements such as the Lomé Convention. Stress should be laid on the need to provide developing countries with equitable opportunities to acquire financial and technological resources from the developing world through:

- (i) Greater access for the exports of developing countries to the markets of developed countries;

- (ii) Stable and remunerative returns for their commodities;
- (iii) An increasing market share for their manufactured goods as their export capacity increased;
- (iv) Stable terms of trade through both direct and indirect indexation of commodity prices;
- (v) An item-by-item approach in commodity negotiations;
- (vi) Collaboration among third world countries to form producers' and marketing organizations to control supply and negotiate fair prices with the mainly developed consumer nations. It was also essential to take measures to establish international storage systems, create special funds to finance storage operations and improve special drawing rights facilities.

22. With regard to intra-African trade, emphasis should be laid on the need to improve infrastructural facilities such as communications and transport, including joint networks as well as marketing and distribution channels. The section should also stress the need for a regular flow of trade statistics. It was pointed out that serious consideration should be given to the question of convertibility of African currencies if a serious attempt was to be made to foster intra-African trade.

23. The Committee generally agreed that intra-African co-operation and co-operation with the third world countries should be given fuller treatment in the document. To combat the balkanization of Africa, economic groupings should be fully supported and encouraged to foster their relations at the subregional and regional levels. Mention should be made of the scope for co-operation in such matters as the formation of producers' associations for raw materials and basic commodities, the joint development of irrigation, mineral and power projects, specialization or sharing out of industries and the sharing of facilities in mining technology and power engineering. The establishment of close relations with developing countries in other regions should also lead to concerted action in facing the developed countries in discussions of such topics as inflation, instability in the monetary system and the external debts of African countries.

24. The document should also stress the need for collective action in adopting special measures for assistance to the land-locked and least developed countries of the region. Plans should be made to launch development projects particularly in those countries affected by drought, border closures and political turmoil, to promote their industrialization, to undertake inventories of their natural resources and to build their infrastructure. Similarly stress should be laid on the need for an adequate inflow of financial resources on fairly soft terms, provision of technical assistance and the creation of a special fund to subsidize transport costs of goods to those countries.

25. In the section dealing with self-reliance as a means for the development of African economies, the document must spell out the forms which such self-reliance should take. It should be related to African realities and the commitments undertaken by member States. The document should define the recommendations and proposals to be addressed to African Governments regarding the joint efforts needed to build the infrastructure of Africa as well as joint ventures for ensuring complementarity among African States.

26. The observer from ILO laid particular stress on the human resources aspect of development. The roles of ministries of labour in member countries should be redefined to enable

them to give adequate attention to the social problems connected with labour and to envisage action to ensure a supply of employment opportunities for newly qualified young people. Similarly they should participate closely in the preparation of national development plans and in the implementation of industrial projects to ensure that the social aspect of development was not overlooked. Governments should endeavour to reduce the gap between the incomes of various population strata so as to forestall future social problems. ECA and the specialized agencies had an important role to play in assisting member States in that respect. Furthermore, their role in establishing a new international economic order should be clearly defined in the document. With regard to multinational corporations, he mentioned that stricter control of their operations should be maintained and the fiscal advantages allowed them in the investment codes of member countries should be revised.

27. The observer from UNICEF also laid emphasis on the social aspects of development. The document had given due consideration to that subject, particularly with regard to the role of women and children in agriculture, nutritional problems in connexion with young children, population policies, potable water, sanitary services and family planning, all of which were of direct concern to UNICEF.

28. The OAU representative referred to the international economic structures which had led to deterioration in the terms of trade of the developing countries, the unequal international specialization and division of labour, the large debts accumulated by the developing countries and dependence on the advanced countries. He felt that the document should indicate the mechanisms by which those structures could be removed and replaced by a new structure based on intra-African economic integration leading to effective co-operation in the fields of trade, finance, energy, planning and so on. In that endeavour, greater emphasis should be placed on self-reliance, the temporary rejection of the interplay of market forces, the progressive removal of malnutrition, diseases, illiteracy, unemployment and inequalities. Production and distribution should be improved simultaneously and priority given to the problem of employment and redistribution of income. Capital investment should be spread widely to cover a large sector of the economy in an attempt to achieve full employment. He also thought that industrialization should not be considered as a priority objective of the developing countries.

29. The observer from UNESCO pointed out that, while purely economic considerations would be important in the new international economic order, they must constitute part of a balanced economic, social and cultural framework. Cultural factors had been the subject of an OAU conference held in 1975, and the conclusions of that conference were pertinent to the subject before the Committee. The Framework of Principles should clarify the interactions between the problems of education, culture, population, food, natural resources, environment and monetary and trade questions, which in the past had been dealt with separately. Those questions should be considered at the national level as well as regionally and internationally. Concerning education in particular, the document should take into account the decisions adopted by the Conference of African Ministers of Education held in Lagos in January and February 1976, which had advocated varied systems of education adapted to the economic, social and cultural realities of each country, vocational training and the training of high-level technicians and cadres. It should also take account of the recommendations of the Dakar Conference on Science and Technology relating to the development of scientific and technological bases in each country.

30. The FAO observer's recommendations related to the production of agricultural products for export and to food production, with particular emphasis on the latter. Food production throughout the region had received very little attention, and stress should now be laid on capital investment and agricultural credit for that sector. Other aspects of agriculture which should be given greater weight in the document were the production of improved seeds, the supply of fertilizers, mechanization and agricultural extension services. A grassroots attack was advocated on the problems of agriculture. Attention should focus on the development of agricultural systems which catered for the needs of village communities, the provision of communication systems, rural infrastructure, rural electrification and the availability of fuel and power in the rural areas. Research in dryland crops was also advocated. Work had already begun in that area with respect to maize, sorghum, soya, groundnuts and cassava. Another important element with implications for agriculture was the flow of migrants from rural areas to the cities, and it was imperative to give adequate attention to that problem in order to stop the flow.

31. The UNDP Assistant Administrator and Regional Director for Africa commended the secretariat on the thought-provoking document it had prepared. He pointed out that in order for Africa to secure its rightful share of the benefits of the new venture it was essential for African countries to boost multinational co-operation, since close co-operation among member States was more likely to secure resources and achieve particular objectives than individual action.

32. Structural changes were needed to overcome the obstacles to regional co-operation. High priority should be given to surveying the development potential of each African country, and planning processes should include calculations of such inputs as skilled manpower. He also stressed the need for the improvement of development administration and national management capability for seriously promoting the new economic order within the region. Health programmes and the need to increase food production were two aspects which should be tackled together as part of the strategy to be followed. With regard to food production, UNDP believed that considerable potential lay in irrigation and the cultivation of flood plains. The areas of emphasis for which UNDP resources would be available in the next planning period were: subregional and regional economic co-operation and integration; food production; development of human resources; science and technology; and development administration. That was a flexible list subject to change. UNDP had been working in close co-operation with the secretariat of the ECA and would continue to do so, but he stressed the need for structural changes within the ECA secretariat to enable it to become operational.

33. It was agreed after considerable discussions that the secretariat should incorporate in the document all the amendments the Committee had approved.

Proposals for the secretariat work programme for 1976-1981 (agenda item 5)

34. The Committee decided that the "Draft medium-term plan for 1976-1981" (E/CN.14/TECO/31) submitted by the secretariat was too important to be given the cursory review it would receive if discussed, as a result of the inadequate time given to delegations to study it. While those who were ready to comment on it could do so, the Committee agreed to hold a full discussion of the item at its fourteenth meeting, by which time Governments would have had time to study the document in greater depth.

35. Some representatives referred to specific projects which they thought should be deleted as unnecessary or others which should be added to the work programme. The secretariat took note of those suggestions. More generally, it was noted that the work programme contained a plethora of studies. The Executive Secretary explained that the basic function of the secretariat was to carry out investigations, but those were a means to an end. The studies were intended to be action-oriented. The secretariat did not wish to submit projects to Governments for implementation without having first carried out the necessary studies.

36. It was also observed that some of the projects in the field of population had political implications. The ethics, beliefs and traditions of African countries should be taken into account when formulating projects in that field. It was also mentioned that resources could be better used in mother and child health projects and improvement of the human environment. UNICEF could provide assistance to individual countries or groups of countries in setting up plants to supply high-protein food for children. With regard to studies on public finance, account should be taken of the decisions adopted at the Accra meeting in 1973 on that subject. For example, it had been decided to set up a Regional Monetary Fund, an investigation in that area could determine what relationships existed between that Fund, the Arab Fund and other regional funds. It was also mentioned that projects formulated should generally take account of decisions taken by African Governments in regional meetings.

37. The point was made that a work programme covering a period of six years could be only a guide. It would inevitably have to be altered in the light of changing conditions, and the Committee would no doubt have occasion in the future to scrutinize it further and amend it where necessary.

38. The question of project financing was also raised. It was explained that, although financing was not earmarked for all projects, the secretariat considered that some very important projects for which financing was not provided should be retained and that member States wishing to see them implemented would have to provide the necessary finance. However, most projects were to be financed jointly by ECA and various United Nations specialized agencies or by means of assistance from donor countries including African countries.

39. The view was expressed that ECA resources should not be dispersed in providing assistance to individual countries for individual projects. Countries should be helped in groups or at the subregional or regional levels. Other United Nations agencies were already assisting individual Governments in specific projects. The Executive Secretary explained that ECA did not plan to duplicate the work of the specialized agencies, but, being a multidisciplinary and multisectoral institution, it could monitor and co-ordinate the work of those agencies, bringing coherence and clarity to their activities. The Commission could also operate in those sectors which did not fall within the ambit of any particular specialized agency. Furthermore, the secretariat was already working in co-operation with FAO and UNIDO, having set up joint divisions with them.

40. On the establishment of mineral development centres in Africa, the Executive Secretary explained that the decisions to set up such centres emanated from member countries of the subregions themselves and their financing would certainly be borne by the member countries.

41. Concerning the establishment of multinational remote sensing and data collection centres in Africa, the Government of Zaire was setting up a centre with assistance from the Government of the United States, but would be willing to convert its centre into a regional one. The French Government was also interested in establishing a centre in Ouagadougou. The aim of the secretariat was to establish two major centres with a number of tracking stations in a few countries of the region. A mission of experts from ECA, UNDP, the United States Agency for International Development, France and Canada was currently in the field to study the question. Once its report was available, the secretariat would convene a meeting of African Governments to reach a final decision.

42. Where energy was concerned, attention would be given to projects on non-conventional sources of energy. An energy conference had been planned for early March, at which specific decisions could have been reached. However, the conference had had to be postponed until later in the year owing to an inadequate response from member States. UNDP was organizing a seminar on solar energy for the Sahel at the request of member countries of that region. African experts in the field of solar energy would be welcome to participate in that seminar.

43. In the list of projects in the field of industry, it was noted that no provision had been made for the promotion of small-scale enterprises. They were largely connected with the development of rural areas, and it was essential to give priority to such enterprises. Similarly, the work programme should also include projects related to the development of indigenous technology. The collection of statistics from rural areas was also important within the context of integrated rural surveys.

Restructuring of the ECA secretariat (agenda item 6)

44. A draft report on the organization of the secretariat prepared by ANS and a report on "Measures towards the reorganization of ECA subregional offices and UNDATs" (E/CN.14/ECO/INF/34 and 35) prepared by the secretariat and which had been circulated for the information of members of the Committee were noted.

Other matters (agenda item 7)

45. In view of the many important questions to be discussed at the next regular meeting of the Executive Committee, one representative raised the question of fixing the dates for that meeting. It was agreed that the meeting should be held some time during June, although it was not possible to fix the exact dates owing to the number of important regional meetings scheduled for that month for which dates had not yet been set.

Adoption of the report and closure of the meeting (agenda item 8)

46. The Committee adopted the present report on 18 February 1976.