

IMPLEMENTATION OF THE LAGOS PLAN OF ACTION



UNITED NATIONS

Distr.:
GENERAL

E/ECA/PSD.2/12/Rev.1
E/CN.14/TPCW.II/18/Rev.2

18 April 1982

Original: ENGLISH

ECONOMIC COMMISSION FOR AFRICA

Eighth meeting of the Conference
of Ministers

Tripoli, Libyan Arab Jamahiriya
27 - 30 April 1982

IMPLEMENTATION OF THE LAGOS PLAN OF ACTION*

* As revised on the basis of the discussions at the second meeting of the Joint Conference of African Planners, Statisticians and Demographers.

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I. INTRODUCTION

1. The Monrovia Strategy for the Economic Development of Africa and the Lagos Plan of Action for its implementation were adopted by the Heads of State and Government because they were convinced that a new approach to development and economic growth efforts in Africa was necessary. Such an approach is necessarily an alternative to past approaches which have led the continent to the unenviable position in which it finds itself today.
2. In pursuing this new approach, there are possibilities that attempts will be made from other quarters to divert attention from the central objective of the new approach, namely sustained efforts to lay a durable foundation for internally generated, self-sustained processes of development and economic growth based on the twin principles of national and collective self-reliance. Indeed, the danger of many "Lagos plans of action" alternative to the Lagos Plan of Action and the Final Act of Lagos being prepared by sources external to the OAU Assembly of Heads of State and Government is a real one. Therefore, member States have to take care to see that no other strategy diverts their attention from the imperative need to implement the Lagos Plan of Action and the Final Act of Lagos.
3. In this connexion, it is important to refer to a document recently published by the World Bank, entitled "Accelerated development in sub-Saharan Africa: An agenda for action" ^{1/} which purports to build on the Lagos Plan of Action and is aimed at assisting member States to generate the necessary resources for implementing the Plan. When all the positive and negative sides of the contents of the report are considered, there is no doubt that the agriculture-based and export-oriented strategy which the Bank recommends detracts a lot from the central philosophy of the Lagos Plan of Action.
4. As explained further below, one of the principal factors which led to the search for alternative approaches to planned development and economic growth in Africa was the realization that approaches based on external orientation both for the sale of goods and services and for the purchase of the critical factors of production and distribution and of consumption goods would never be viable and sustainable. Unfortunately, the main recommendation contained in the World Bank report is focused on the need to continue to export primary commodities and some light manufactured goods with a view to importing those goods and services whose prices will for ever continue to increase. In making this recommendation, the authors of the report were cleverly silent on how to solve the problems of deteriorating terms of trade and the associated problems of increasing debt burden.
5. It is in the light of the existing problems facing African countries and the levity with which the authors of the World Bank report have treated them that member States should judge the report and intensify their efforts to implement the Lagos Plan of Action and the Final Act of Lagos.
6. As a regional strategy, the Lagos Plan of Action is necessarily a summary of goals and objectives to be pursued and of the actions to be taken at the national, subregional and regional levels. The purpose of this paper is to provide some guide-lines for such actions by member States and their development partners.

^{1/} World Bank, Accelerated development in sub-Saharan Africa: An agenda for action, Washington D.C., 1981.

7. In view of the important role which a knowledge of the background to a strategy can play in the effective implementation of such a strategy, it is usually helpful to provide such a background as an integral part of the guide-lines. Therefore, before providing the guide-lines for the implementation of the Lagos Plan of Action, an attempt is made below to summarize the reasons why the Plan was formulated, its goals, objectives and characteristics. 2/

8. The guide-lines cover what should be done at the national level in the context of the principle of national self-reliance and at the subregional and regional levels in the context of the principle of collective self-reliance, the problems of financing the Plan, the role of transnational corporations and the role of donors and international organizations.

II. BACKGROUND, GOALS, OBJECTIVES AND CHARACTERISTICS

9. Despite planned development efforts in Africa over the past two decades supported by massive aid and technical assistance by both bilateral and multilateral agencies, the continent remains the most economically, socially and culturally deprived of all the regions of the world. This is despite the fact that the continent is well known for the abundance of its forestry, mineral and other resources. There are many reasons for this situation:

(a) The forcible integration of the countries of the continent into the main-stream of world trade and investment;

(b) The intensification of association and exploitation through colonies de peuplement and colonies d'exploitation (predominantly settler and trader colonies);

(c) The consequent external orientation of development and economic growth efforts;

(d) The overspecialization in raw materials production with little or no impact on the rest of the economy through backward, forward and lateral linkages, technology generation and development, and skilled manpower generation particularly in the critical area of entrepreneurial development for industrialization;

(e) Over-dependence on external markets for effective demand as a factor of development, with its backwash when changes occurred in the composition of such demand as witnessed in the post-World War II period when demand patterns in the technologically advanced countries shifted from basic needs (food, clothing, etc.) to consumer durables and from countries mainly dependent on agricultural export products to those with minerals, petroleum and natural gas;

(f) The development of enclaves and semi-enclaves and other dysfunctional relations in the economies of the region; and

2/ A fuller discussion of the reasons why a new strategy was deemed necessary for Africa and the goals and objectives which such a strategy is expected to achieve is to be found in each of the following documents: (a) Revised framework of principles for the implementation of the new international economic order in Africa (E/CN.14/ECO/90/Rev.3); (b) Organization of African Unity, What kind of Africa by the year 2000? - Final report of the Monrovia Symposium on the Future Development Prospects of Africa towards the Year 2000; (c) Report of the ECA/UNEP Seminar on Alternative Patterns of Development and Life-Styles for the African Region (E/CN.14/698/Add.1).

(g) The promotion of the idea of the "trickle-down approach" to development and economic growth based on the premise that the development and economic growth of the Third World in general and African countries in particular and the welfare of their peoples depend and ought to continue to depend on the success of the existing economically advanced countries in their pursuit of "growth" and particularly in their success in solving their twin problems of hyper-inflation and chronic balance-of-payments deficits.

10. This external orientation of development and economic growth efforts in Africa led to insufficient attention being paid to:

(a) The central importance of a knowledge of domestic natural resources as the foundation of development and economic growth, as well as the basis of genuine and relevant human resources development;

(b) The crucial role of the domestic market, not only in the geographical and physical sense, but also in terms of purchasing power, including its even distribution;

(c) The important question of indigenous entrepreneurship in the context of the various tasks to be performed; and

(d) The non-viability of a process of producing raw materials for export so as to be able to purchase the growing volume and varied type of fixed capital assets, spare parts, high-level skills services and industrial raw materials in order to pursue diversified and accelerated development and economic growth at home. There was also the problem of lack of a clear distinction between the real meaning of economic growth and development.

11. Economic growth means increases in the physical output of goods and services for the benefit of the mass of the population. It is implicit in this definition that these increases must come primarily from the exploitation of raw materials drawn from the natural resource base of African countries supplemented by trade in complementary raw materials.

12. Development means not only increases in the output of goods and services based on the exploitation of domestic natural resources but also internalization of the supply of such critical real factor inputs as manpower, including entrepreneurial capability, at all skill levels, science and technology and the establishment and effective management of such institutions as enterprises whether public or private, research and development and support services institutions. It also comprises the ability and capability to initiate and implement autonomous decisions. In other words, while growth is a necessity, it is not a sufficient condition to identify a developed economy.

13. The unsatisfactory results of the old approaches to development and economic growth efforts in Africa are shown by the unreconciled and unhealthy imbalances in (i) agriculture and industrial development; (ii) rural and urban development; (iii) technologies, as well as productivity levels among the modern sector, the small-scale, unorganized sector and the subsistence sector; (iv) regional development at subnational levels; (v) consumption patterns and life-styles of the few privileged on the one hand, and the socio-economically disadvantaged, on the other; (vi) educational systems which were foreign and inimical to the development goals of African countries; (vii) imitation of life-styles and consumption patterns in affluent countries; (viii) adoption of highly capital-intensive, energy-intensive and import-

intensive technologies in the process of industrialization in areas where they were not necessary; (ix) excessive growth of cities; (x) growth of monoculture and commercial farming for exports at the expense of production of food for domestic consumption; (xi) use of energy-intensive and capital-intensive technologies on large farms with its attendant distributional and environmental implications; (xii) ever-widening disparities in distribution of income and wealth and growth of unemployment and underemployment; and (xiii) continued dependency on external economic relations for sustaining domestic patterns of growth, and growing external debts and deficits in balance-of-payments.

14. It was against the background of these results that efforts were devoted to a search for an alternative and viable approach. That search which culminated in the adoption of the Monrovia Strategy and the Lagos Plan of Action and the Final Act of Lagos was strengthened by the realization that (i) it was no more desirable and feasible to replicate alien life-styles, production patterns and consumption patterns; (ii) existing life-styles and patterns of economic growth in industrialized countries as well as in several developing countries had led to serious environmental degradation and rapidly increasing social costs, natural resources depletion, technologically-created unemployment, alienation, pathological urbanization, erosion of family and community life, and in general a deteriorating quality of life; (iii) in the light of increasing social costs, including the cost of alleviating environmental damage, it was doubtful whether the dominant patterns of growth and life-styles from the developed countries would be desirable, suitable, and/or sustainable over the long-run; (iv) the serious structural imbalances in international economic relations between the developed and the developing countries had imposed significant constraints and, in effect, led to a growing distortion of indigenous development patterns, and had made it progressively more difficult to realize the declared aims of social progress and to make autonomous choices; (v) despite the development experience of several African countries, productivity of labour and other factors of production had remained low; the internal dynamics of growth had not led to self-reliant and self-sustaining economic development in several cases; moreover, sizeable sections of populations, including women and the entire rural population had been left out of the mainstream of development; and (vi) there were already available interesting experiences and experiments in introducing alternative patterns of development and life-styles in various parts of the world including Africa e.g. China, Yugoslavia, some countries in Eastern Europe, the United Republic of Tanzania, Nigeria, Egypt, Zambia and Ethiopia. It is in this context that the call for a new international economic order should be viewed.

15. The Lagos Plan of Action and the Monrovia Strategy on which it is based are the instruments by which Africa intends to contribute to the birth and sustainment of a new international economic order.

16. Basically, the Plan emphasizes:

(a) The imperative need for knowledge of the natural resource base, not only for determining product lines but also for planning the internal development of the skills required for the identification, exploration, evaluation and development of such resources and for organizing and managing production and distribution;

(b) Planning in terms of multiple objectives (both from the supply and demand sides) and in real terms as opposed to planning approaches based on the assumption of a single main objective (e.g. economic growth);

(c) Intra- and inter-sectoral linkages and intra- and inter-group and spatial considerations that such an approach to planning demands. Thus, the industrial sector is designed to supply the bulk of the industrial inputs required for agricultural production, processing, storage and transportation (agricultural chemicals, equipment including implements and tools, etc.), as well as building materials, metal and engineering products and chemicals for the transport and communications, mining, energy and other sectors which make use of capital goods. The food and agriculture programme (which includes forest products and industrial fibres) provides not only inputs to the processing industries but also markets for industrial products of the kind just listed. The importance of intra- and inter-sectoral linkages is also stressed for other sectors, such as transport and communications, energy, science and technology, human resources development, etc. (see E/CN.14/781/Add.1, pages 5 and 6, paragraphs 21-31, for a full discussion of these linkages);

(d) The imperative need to involve, at all stages of the formulation and implementation of development plans, all the principal decision-making agents and instruments in the economy; State enterprises and public utilities; development corporations and development banks; indigenous and foreign private enterprises; R & D establishments; universities and polytechnics; farmers' organizations; trade unions; political parties; community leadership groups; river and lake basin and similar authorities dealing with the development of agricultural or geographical regions; business support institutions; associations of engineers, scientists and technologists; and development organs such as ECOWAS, UDEAC and the MULPOCs, which may be entrusted with organizing and encouraging the participation of some of the agents and instruments referred to earlier; and

(e) The importance of the domestic, subregional and regional markets for the supply of factor inputs (raw materials, machinery, technology, and high-level skills for entrepreneurial activities, project identification, analysis and implementation, management, marketing, and support services, whether advisory, banking, insurance, transport and communications, etc.); and for the production and sale of final consumption goods and services.

17. As to underlying arguments, it is important to note that the Plan focuses on both economic growth and development. Thus the plan asserts that: (i) economic growth means increases in the physical output of goods and services for the benefit of the mass of African populations; (ii) these increases must come from the exploitation, primarily, of raw materials drawn from the natural resource base of African countries, supplemented by trade in complementary raw materials; (iii) the process of converting raw materials into semi-finished and finished products requires an expanding indigenous supply of relevant factor inputs, i.e., of skilled and semi-skilled manpower for entrepreneurial functions, management, production, marketing and distribution, research and development; equipment; raw materials; institutional services, etc.; (iv) a restructuring of national domestic markets is necessary, as well as a merger of national markets in order to achieve

economies of scale; and (v) the key factor is the development of indigenous entrepreneurial capabilities (public and private), underpinned by appropriate support services.

18. Implicit in all these is the concept of a self-renewing society and of a changing role for all parts of the economy whether public or private and especially for the traditional social welfare department whose role must now go beyond the provision of services to the victims of economic growth and development to active participation in social engineering.

III. IMPLEMENTATION AT THE NATIONAL LEVEL

19. Any guide-lines for the implementation of the Lagos Plan of Action must start with action at the national level, where socio-economic problems occur and where emphasis on implementation has been appropriately placed. This complicates the task, however, since there are at present 50 member States which, because of various factors (availability of natural resources and high-level skills, access to aid and technical assistance and the zeal with which Governments have pursued development and economic growth policies in the past), are at different levels of development and face different types of problems. The result is that different parts of the guide-lines will apply to different countries.

A. Educational and diffusional aspects

20. The Lagos Plan of Action provides only a framework for action by member States and their development co-operation partners. Hence, its effective implementation depends on the relevance of the issues addressed therein to the specific development and economic growth problems facing each member State. The first task that has to be tackled at the national level is therefore to familiarize the Government, the people and the agents of production and distribution in particular and of decision-making in general of each member State with the origin, goals and objectives, and characteristics of the Plan.

Recommendation 1: National seminars or conferences

21. In this connexion, it is recommended that each member State should organize a national seminar or conference for the above purpose. Inputs into such a seminar or conference will comprise: (i) the text of the United Nations General Assembly resolutions 3201 (5-vi) and 3202 (3-vi) containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order respectively; (ii) Revised framework of principles for the implementation of the new international economic order in Africa; (iii) Organization of African Unity, What kind of Africa by the year 2000? - Final report of the Monrovia Symposium on the Future Development Prospects for Africa towards the Year 2000; (iv) Report on ECA/UNEP Seminar on Alternative Patterns of Development and Life-Styles for the African Region (E/CN.14/698/Add.1); (v) the Monrovia Strategy for the Development of Africa; (vi) the Lagos Plan of Action for the Implementation of the Monrovia Strategy for the Development of Africa; and (vii) a report containing an assessment of the history of planned development efforts in the member State.

Recommendation 2: National sectoral or functional workshops

22. Inevitably, discussions in the seminar or conference are bound to be general in character, even though such discussions will be tied to the specific aspirations and problems of the member State concerned. Hence, there is a further need for a deeper understanding of the issues involved, particularly at the sectoral or functional level.

23. For this reason, it is further recommended that the national seminar or conference should be followed by national sectoral or functional workshops. Inputs into such sectoral or functional workshops will include: (i) the sectoral studies which formed the basis of the Lagos Plan of Action; and (ii) the relevant national sectoral or functional studies.

Recommendation 3: Use of mass media

24. While the seminar/conference and workshops are recognized forms of communicating ideas, not every citizen or even every decision-maker may benefit from such approaches.

25. It is therefore recommended that the mass media, and particularly radio and television, should be employed to explain the problems the Plan addresses and its characteristics. Newspapers and posters should be used liberally.

B. Development Planning: The concept of the 'image' and planning

26. Implicit in the recommendations contained in the Monrovia Strategy, the Lagos Plan of Action and the Final Act of Lagos is the concept of an "image" of the future or scenario, that is, of "ends envisioned", symbolized by the objectives of national and collective self-reliance, and self-reliant and self-sustaining development and economic growth. The adoption of these documents constitutes a consensus at the regional level.

27. "Imaginative medium- and long-term images of the future can place current priorities, problems, issues or controversies into a more balanced and clearer perspective and provide useful and stimulating contexts for examining them." When they are shared by the Community, they "can also contribute to a sense of community and nationality and help create a sense of institutional meaning and purpose". "In sum, they can create unity, commitment, high morale, and even a sense of manifest destiny or religious mission." 3/

28. In adopting an "image" of the future, the Heads of State and Government have, on behalf of themselves and their peoples acted as a "purposeful system", that is, a teleological or goal-seeking" system. They have generated "willed action", that is, they have designed conceptually a more desirable and hence preferable future-state of the present system. Underlying the concept of "willed action" are those of "controlled and controlling acts" as designed interventions or policies directed at the attainment of the goals envisioned. And since in systemic discourse, design is synonymous with planning, optimizing, and similar terms that connote the use of thought as a precursor to action directed at attainment of goals, it is clear that planning is an imperative instrument for the attainment of the goals and objectives of the Lagos Plan of Action and the Final Act of Lagos, and hence of those of the Monrovia Strategy.

3/ Herman Khan, World Economic Development, 1979 and Beyond, Croom Helm, London, 1979, page 79.

29. Understood in this light, planning does not have the ideological taint usually associated with "centralized planning". As a continuous activity aimed at defining alternatives best suited to the achievement of defined goals and objectives, planning is to be further understood as an integral motivator and generator of action at whatever level that action is envisaged.

30. To translate the image embodied in the Lagos Plan of Action and the Final Act of Lagos into operational terms at the national level, the three phases of planning, namely, normative, strategic and operational or practical will have to be called into play regularly. Normative planning usually reveals what, under given circumstances and in view of known and imaginable factors ought to be done. Strategic planning searches for and sets goal(s), that is, time-specific or plan-specific outcomes for the whole system. It deals with those decisions which can determine what can be done in a given time interval and a whole situation. The prime function of operational or tactical planning is the implementation of decisions that have been formulated at higher levels. It is at this level that what will be done to satisfy the "oughts" and "cans", that have been established at higher levels, is determined in an ongoing manner. ^{4/} Some of the elements involved in these three phases of planning are the subject of subsequent parts and sections.

31. To conclude this section, it is important to note that the use of images of the future or scenarios in planning implies long-term or perspective planning. Indeed, the concepts of self-reliance and self-sustainment can be meaningful only if activities to achieve them are set in a long-term framework. The adoption of the Lagos Plan of Action demands that member States should adopt more and more long-term planning as a basis for their development and economic growth activities.

Recommendation 4: Broadening the scope of participation in the development process

32. All agents of production and distribution, as well as those involved in research and development, are to be involved in the process of decision-making right at the beginning of the planning exercise, where this is not already being done. This calls for the establishment of a strong rapport between the public and private sectors. In particular, it calls for the involvement of the masses in both the formulation and implementation of development plans. Their involvement in the formulation stages will assist both in the determination of the right type of goods and services and in creating the spirit of belonging which is very important for the implementation of the plans. In saying this, it is important to recall that, increasingly, planning and plan implementation will have to focus on the solution of specific real socio-economic problems (nutrition, skill acquisition, creation of institutions, etc.) which originate from specific sectors and/or institutions, and affect specific population groups particularly the masses, and the specialists in these areas and those affected will have to be formally integrated into the process of decision-making in planning and plan implementation.

33. The purpose of this involvement of all decision-making units in the economy and those to benefit from the fruits of development is to determine the goals and objectives in the next plan period in terms of the specific problems to be solved

^{4/} A fuller discussion of the ideas referred to here can be found in Hasan Ozbekhan "The emerging methodology of planning", Fields within fields, Winter 1973-74, No.10, The World Institute Council, pp. 63-80.

and not in terms of a single objective of growth rate of gross domestic product to be achieved. Thus decisions may be taken in relation to certain commodities and services such as research and development and/or production support services. In effect, decisions at this stage will deal with such issues as the kind of industrial growth, the kind of agricultural growth, the kind of imports, the kind of technology, the kind of educational development, the kind of health programme, the kind of support services, etc. In the context of African conditions, such changes in the composition of goods and services will be in favour of more goods and services of benefit to the lower-income categories of the population in order to raise their levels of living and their productivity and to help to generate a broad-based growth structure.

34. This preliminary decision-making exercise may determine who will produce what and what measures will be used to encourage compliance with the objectives agreed upon: tax policies, credit, subsidies, site allocation policy, etc. Such arrangements will also determine how to pursue the objectives: domestic production as against imports, if domestic production is chosen, how the inputs will be obtained: raw materials, machinery and equipment, manpower and finance.

Recommendation 5: Social transformation

35. Development efforts in the framework of the Lagos Plan of Action and the Final Act of Lagos are also to be addressed to social transformation. Principally social transformation involves equitable distribution of the means of production and the fruits of development and economic growth. It requires determined and continuous attention to the provision of opportunities for the total involvement of all the segments of the population in the development process and of guarding against undue privileges. It constitutes the heart of a self-renewing society and of the generation and sustainment of a self-reliant and self-sustaining development and economic growth. In this connexion, it is recommended that member States should take appropriate measures to ensure that all citizens have equal opportunities to the acquisition of the means of production - education and training including health facilities, physical factors of production and equitable access to the benefits of development and economic growth - food, water, health services and money income. Such measures will include progressive tax policies, re-distribution of land, opportunities for education at all levels, provision of support services in terms of credit, market information and maintenance services in terms of credit, market information and maintenance services to small- and medium-scale producers and distributors.

Recommendation 6: Internalization of the sources of supply of factors of production

36. Planning must include measures for the internalization of supply of the factors of production and distribution. In view of the new orientation of development and economic growth efforts, it will be necessary to organize formally the "growth" of factor inputs at the national, subregional and regional levels in accordance with the results of basic studies and analyses. Therefore, while member States will continue to use available factor inputs, supplemented by what can be obtained through trade, aid and technical assistance, it is recommended that measures should be taken to start the process of internalizing the supply of factor inputs. This will include changing the content of syllabuses, particularly at the secondary and tertiary levels, strengthening existing research and development institutions, intensifying of on-the-

job training, using informal arrangements for training manpower, deliberately creating new institutions, such as African multinational industrial and mining enterprises, etc., intensifying of natural resources exploration and exploitation, for national and regional use, deliberately fostering the spirit of entrepreneurship, developing of indigenous technology and technological capabilities, etc.

Recommendation 7: Problem-centred planning

37. Planning in the context of the foregoing statements emphasizes planning in real terms even when it is recognized that money will come as the practical means of conducting transactions. The idea of planning in real terms can be extended to that of planning around identified problems - food deficiency, shortage of specific high-level skills, unemployment within certain categories of labour, non-availability of certain basic needs, etc.

38. This approach will not only direct attention to the real character of the objective being pursued but will also assist in assigning tasks to sectors, specialists and institutions thereby assisting in reducing the present rivalry among agents of production and distribution as well as among ministries. Such reduction in rivalry and in the associated loss of resources is likely to be achieved since the interest of all concerned will centre on the solution of the particular problems identified.

39. Moreover, a problem-oriented approach to development planning is the best way to introduce "sequential planning" effectively into the planning process. Since all agencies are committed to the solution of the problem identified, they will also be interested in the planning of the different phases of implementation so that the equipment, materials and services required can be forthcoming at the time they are needed. In this way, it will be possible to avoid some of the existing problems whereby school buildings are completed without the necessary boards, books, chalk, etc. and teachers, and hospitals are completed without the necessary equipment, medical supplies and even medical staff.

Recommendation 8: Sectoral, spatial and group planning

40. Planning in the framework of the goals, objectives and philosophy of the Lagos Plan of Action and the Final Act of Lagos also implies planning in terms of sector, space and population groups. Development and economic growth problems inhere in sectors and locations and affect the structures of the population in different ways.

41. Therefore other dimensions of the implementation of the Lagos Plan of Action to which members should pay attention are sectoral and spatial (physical) planning and planning for identified handicapped groups such as women, children and youth, minority groups, the elderly, the deaf, the dumb, etc.

Recommendation 9: "Corporate" planning

42. Planning in the framework of the Lagos Plan of Action goes beyond the mere determination of output. In the preceding recommendation the importance of internalizing the sources of supply of factor inputs has been stressed. Such planning must also be concerned with the markets for the sale of the products. This concern for both inputs sourcing and markets for the sale of products is best dealt with at the enterprise level. Therefore, corporate planning, whether in the public or private sector, is a sine qua non particularly so because of the crucial role of markets and marketing and the organization of production and distribution. In addition, in order to make the activities of corporations effective, there is a need to build up manpower skills for project formulation, analysis and implementation and for production control.

43. With regard to project analysis capability, it is important to note that all the real objectives and goals of development and economic growth mentioned (participation through employment, income distribution, technology choice, environmental consideration, etc.) are better taken into account at the project level, especially when technology choice, which determines most of them, is being considered.

44. It is therefore recommended that member States should organize training in project analysis and enterprises should establish effective production control departments.

Recommendation 10: Ongoing research

45. Effective implementation of plans under the Lagos Plan of Action will require not only the collection of regular statistical and other information, and a trouble shooting system as described below under "development monitoring system" but also on-going research whose purpose is to explain what is happening during the implementation period. While the role of universities and other institutions of higher learning and research institutes, whether private or public, is most important in this area, that of planners, whether in the central planning office or in the sectoral ministries, is equally important. This gap in the planning and implementation process should now be removed. In this connexion, there is a need for concrete programmes to train policy-oriented economists and economic analysts or those one could call "development specialists" for want of a better phrase. Such training is in addition to training in project identification and analysis mentioned above. Such training activities should be one of the main activities of the central planning office, probably with the co-operation of universities, research institutes and international organizations.

Recommendation 11: Development monitoring system

46. At the time when the targets to be pursued during the plan period and the measures for pursuing them are determined, it is usually assumed that many things will remain the same. Unfortunately, this is not usually the case. Indeed, unforeseen circumstances can and do arise during the implementation period, which may nullify the goals and objectives of the plan if steps are not taken immediately to deal with the emerging circumstances.

47. It is therefore recommended that every member State should establish a development monitoring system, where it does not already exist, or in other words an information system geared to the provision of the data needed for a diagnostic approach, i.e. an approach that implies a cross-sectoral, cross-spatial and cross-population examination of the existing development system, an attempt to understand the inter-dependencies involved, and an identification of the main problems and weaknesses, the implicit trends and the main potentialities or opportunities for improvements.

48. Apart from collecting and using both quantitative and qualitative data to assess development at the local level, the development monitoring service would monitor the social and economic effects of technological change, and would provide an early warning of impending crises (trouble shooting). Information from different parts of the country collected through the development monitoring service should be combined with information from other sources (e.g. locality studies by scholars) and used as a basis of regular reporting to the national planning board and to regional (subnational) planning boards where these exist. The service would use simple methods for carrying out its task. It could be based on a series of development observation posts stationed in different parts of the country or operate by means of a series of regular visits by small mobile teams to different parts of the country. The service should also develop mechanisms for monitoring external occurrences that may have effects on the implementation of the plan, such as developments in the world money, finance and commodity markets. Another task of the development monitoring service should be the development of appropriate indicators of development and economic growth.

49. With information from the development monitoring service and from the production control departments of enterprises, the central planning office and hence the government should be in a position at all times to take decisions about the implementation of the plan.

Recommendation 12: Review and appraisal of the progress made in the implementation of the plan

50. There are two main objectives of review and appraisal, namely to provide: (i) information on the progress made and short-falls in implementation of a plan, including explanations of both progress and short-falls as a basis for taking the necessary action to deal with undesirable occurrences; and (ii) a feedback mechanism linked to the planning exercise in the next plan period. The review and appraisal task is usually undertaken by all the development and economic growth decision-making agencies and is co-ordinated by the central planning office. The exercise is carried out in relation to the targets, goals and objectives set down in the plan and the measures for attaining them.

51. In view of the importance of review and appraisal to the attainment of the goals and objectives of the Lagos Plan of Action, it is recommended that every member State should make review and appraisal an integral part of its development planning and implementation.

C. Statistical and other information requirements

52. Both the adoption of systematic planning for social and economic development by many countries of the region and the implementation of the Lagos Plan of Action will give rise to a large demand for a variety of socio-economic data and other types of information. It is necessary to generate a timely flow of information from which it is possible not only to assess the current levels of a number of demographic, social, economic, technical, etc. phenomena and the interrelationships among them, but also to study the trends and changes in relationships over time. The availability of such information in sufficient detail and with disaggregation by regions, sectors and special groups where appropriate will permit the design and control of policies and programmes on such basic development and economic growth issues as poverty, unemployment, health, nutrition, literacy, internal migration, industrialization and appropriate technology.

53. It will be observed from this wide-ranging set of statistical and other information that there is an urgent need for an integrated approach to information collection and analysis activities through common and compatible concepts and definitions and methods of collection and analysis. The African Household Survey Capability Programme (AHSCP), which is a component of the global National Household Survey Capability Programme (NHSCP), has been conceived to help the countries of the region to obtain, through a systematic programme of household surveys and in conjunction with data from population censuses and other sources, the continuing flow of integrated statistics and information that they need for their development plans, policies and administration. There is need therefore for all African countries to join the programme in order to develop the statistical infrastructures needed for the collection of integrated demographic, social and economic data.

54. It is also necessary to intensify efforts in the area of manpower training. In this connexion, it is important to refer to the Statistical Training Programme for Africa (STPA) which aims at making Africa self-reliant in producing an increasing number of technically competent statistical personnel who would collect, process and analyse statistical data required for economic and social development planning. Countries should, where necessary, use this programme to increase the number and improve the quality of their statistical personnel.

55. The implementation of the Lagos Plan of Action will require action in other areas of sources of information: documents on development and economic growth, blue prints and other sources of information on technology, etc. All these call for more comprehensive arrangements for information gathering, analysis, processing, storage and dissemination. In this connexion, member States should consider the possibility of participating in the Pan-African Documentation and Information System (PADIS) programme.

56. It should be noted that external resources will continue to be needed in order to ensure the effective implementation of the statistical and other information development programmes expected to meet the requirements of the Lagos Plan of Action. However, in the context of the objective of national and collective self-reliance, African countries should more and more support the implementation of these programmes using their own resources and where possible assist other African countries to implement their own programmes.

Recommendation 13: Strengthening infrastructures for statistical and other information development

57. In the light of the foregoing, the following steps are suggested:

(a) As a matter of urgency, African countries should strengthen their statistical infrastructures as a basis for effective policy-making and planning. In this connexion, they are urged to formulate statistical and other information development programmes and these should be included in national development plans to ensure adequate allocation of resources;

(b) In order to mobilize external resources for the implementation of the African Household Survey capability Programme, the population and housing censuses programme, the development of the System of National Accounts, and the Statistical Training Programme for Africa, African Governments should reaffirm the priorities they attach to these programmes and provide the necessary counterpart financial support;

(c) Each Government should institute appropriate mechanisms for the evaluation and analysis of data. These mechanisms should ensure proper linkages among data producers, analysts and users. The establishment of national statistics committees comprising representatives of government, industry, commerce, universities, trade unions, etc., constitutes a viable means of achieving this;

(d) Simultaneously with the improvement of external relationships, a national statistical service must demonstrate its ability to produce results. Initially, this can be achieved through timely issue of regular publications;

(e) Where it does not already exist, statistical legislation should be promulgated. Such legislation should not attempt to deal with the short-term aspects of statistical development strategy but concentrate on long-term provisions such as the authority for collecting statistics and other information and the related penalties and safeguards;

(f) Periodic review of the statistical situation in each sector, the status of administrative sources of statistics and the data generating research activities in universities, research institutes, etc., should be undertaken;

(g) the possibility of adopting the system of assigning statisticians to sectoral ministries should be seriously considered since such an arrangement could help greatly in improving the present situation particularly when such officers work extremely closely with the professionals in the sectoral ministries;

(h) It is desirable that a statistical data base for the storage and retrieval of information be established in individual countries. In this connexion, efforts should be made by individual member States to participate in the PADIS programme.

D. Analysis and planning

58. Following the educational and information activities of the Plan, each member State should now be in a position to align its policies, practices and strategies with the philosophy and characteristics of the Plan. Such realignment requires analysis and planning both to establish the base data and to organize the collective efforts for the implementation of the Plan.

1. Natural resources

59. The importance of natural resources (energy including fuel minerals, non-fuel minerals, water, fish and other water resources livestock and forest products) and the raw materials which could be extracted from them arises from the recognition that economic growth, that is, increases in the physical output of goods and services to meet the needs of the mass of the people requires the exploration, evaluation and exploitation of a much wider range of natural resources and raw materials than is the case today where reliance is placed on the production and export of only one or two products. The volume and scope of new production, of course, depend on the extent to which, as is the case in developed and semi-industrialized countries, complementarities among natural resources/industrial raw materials are established through trade. Thus, in Africa an important part of natural resources policy will relate to the promotion of intra-African trade in raw materials.

Recommendation 14: Deepening knowledge of the natural resource base

60. In view of the foregoing, it is necessary to widen and deepen knowledge of the natural resource base. Accordingly, action in the field of natural resources should include:

(a) Measures for the compilation, classification, central storage and retrieval of all available information on natural resources and for the establishment of a central unit for this purpose. Where some of the existing records are in the hands of former colonial powers or foreign transnational corporations, governments should devise means of retrieving such records from them;

(b) Preparation of topographical map series, photogeological studies and detailed geological mapping as a basis for systematic exploration for minerals;

(c) Legal and administrative measures for ensuring that new information and data on natural resources are made available to the central unit responsible for compilation, classification, etc.;

(d) Evaluation of mineral resources development activities in progress in each country so that each country may decide on how these activities could be restructured to correspond to the requirements of the Lagos Plan of Action, e.g. in deciding which project could continue as national projects and which would be expanded to become subregional projects;

(e) Special studies of recent developments in exploration, evaluation and extraction technologies in the field of natural resources, which offer new optimal combinations of labour and machine intensity; and

(f) Evaluation of the extent to which existing natural resources, including river basins constitute inputs into the development of domestic industry and agriculture.

Recommendation 15: Ensuring sovereignty over natural resources

61. Much has been said about the need for developing countries in general and African countries in particular to have sovereignty over their natural resources. The ability to achieve such an objective will depend heavily on manpower training and institution building. Therefore, it is recommended that action be taken as follows:

(a) A review should be carried out of existing national capabilities for exploration, evaluation and management and for extraction of and trade in industrial raw materials of natural resources as a basis for instituting or improving machinery and instrumentation for these purposes;

(b) Following the review of institutional capabilities, a manpower development plan should be prepared for different forms of or subsectors of the natural resources sector;

(c) At the same time, possibilities of intra-third world technical assistance arrangements (including government enterprises) for manpower and institutional development should be explored;

(d) Governments should contribute towards the development of institutional mechanisms designed to facilitate intra-African trade in industrial raw materials and should review in this light, the role of state trading organizations, and

(e) Governments should review the present business structure of enterprises in the natural resources sector with particular reference to its effects on income transfers, re-investment policy, manpower development, technology transfer, the promotion of intra-African trade, employment creation, etc.

Recommendation 16: Designing realistic policies for participation in natural resources exploitation and management

62. As far as the Lagos Plan of Action is concerned, African countries are to take an active part in the exploration and use of their natural resources. Therefore, in connexion with policy making and action it is important to distinguish between the relatively passive policy of e.g. taking shares (whether majority or minority) in foreign-owned mining companies operating within the country or their affiliates and the active and objective policy of establishing and exploiting the national mineral resource base through the instrument of national or multinational mining companies associated with national or multinational finance companies established specifically for this purpose. In other words, taking shares in foreign mining companies and setting up national companies or extensions of the government treasury to receive income from shares in them is a policy for securing rents, not a policy for promoting economic growth as defined above.

2. Population and development

63. Much has been said about people being the initiator and beneficiary of development and economic growth. Yet, from the information available, there are many gaps in knowledge about the characteristics and dynamics of the African population. Moreover, the use being made of the scanty information available in the design, implementation and monitoring of development and economic growth in Africa leaves much to be desired.

64. In view of the fact that African countries are characterized by populations of extremely varying sizes, high fertility and high mortality, a relatively short average life span and a population structure dominated by young persons, a result of rapid increases in population, it is recommended that countries should improve their knowledge of the size, structure and quality of their populations. Such a knowledge will provide an empirical basis for developing policies and programmes aimed at absorbing the totality of this growing population and for establishing services aimed at improving the quality of life of the population especially the provision of primary health care, maternal and child care programmes and comprehensive sanitary programmes.

65. Moreover, since African populations will in the foreseeable future continue to grow, it is also recommended that countries should make arrangements for the continuous study of the dynamics of their population change in the process of socio-economic transformation.

66. Recent censuses in the region should have provided a basis for the analysis of population data in terms of age and sex structure, spatial distribution of population, educational attainment, number and size of households, and occupational categories. Information should also be available on the distribution of services such as water, electricity, schools, institutes and universities, hospitals, clinics, maternity centres and recreational and other cultural facilities, as well as on employment and unemployment and housing conditions. Such censuses should be followed by household surveys, which will not only supplement and make more concrete the information obtained from censuses, but also provide information about consumption habits, income and savings. Any member State which did not participate in the 1970 rounds of population censuses should definitely participate in the 1980 rounds. Similarly, member States should take advantage of the ECA African Household Survey Capability Programme in order to equip themselves for extensive and regular household surveys.

67. The Lagos Plan of Action lays great emphasis on planning in real terms. Such planning cannot be meaningful without its intimate linkage to population and its dynamics whether one is concerned with internalization of the supply of factor inputs, employment and unemployment, entrepreneurial capability development, provision of basic needs for the satisfaction of the mass of the population, planning of education and training services, or manpower planning in general. Henceforth, population and its dynamics should constitute the hub around which planning efforts are organized.

3. Science and technology

68. The importance of science and technology as instruments for generating and sustaining development and economic growth is emphasized in the Lagos Plan of Action. In fact, the chapter on science and technology is the longest in the Plan. In it, the Heads of State and Government have committed themselves on behalf of themselves and their peoples to "put science and technology in the services of development by reinforcing the autonomous capacity of (their) countries in this field". ^{5/} Therefore the internalization of the process of generating and sustaining science and technology is one of the urgent problems to be addressed in the process of implementing the Lagos Plan of Action.

(a) Science

69. As far as science is concerned, the problem areas are education and training and research. With regard to education and training, it is common knowledge that science is yet to find its proper place among the ensemble of subjects being offered in primary and secondary schools. Africa's education and training system is still heavily biased in favour of arts subjects. This is particularly the case at the second level among people who should become middle-level technicians. The result is that very few candidates are coming forward for training in middle-level skills that require the application of science.

70. With respect to research, the main problem is the general shortage of researchers whose work is directly relevant to the development and economic growth problems of the countries of the region. However, there is also the problem of shortage or lack of laboratory facilities for those few who are genuinely interested in work that is relevant to African development and growth problems.

Recommendation 17: Putting technology in the service of development and economic growth

71. In order for science to play an important role in African development and growth in general and the implementation of the Lagos Plan of Action in particular, it is recommended that the following measures should be taken by member States which have not already done so:

(a) Provision of incentives in the form of scholarships to students to study mathematics and other physical science subjects;

(b) Supply of more and better equipment to secondary schools;

(c) Improvement of conditions of service of teachers of mathematics and other science subjects;

(d) Reform of science subjects curricula so that emphasis can be placed more on problems relevant to the African situation;

^{5/} Lagos Plan of Action (A/S-11/14, annex I), preamble 6 (iv), paragraph (b).

(e) Establishment of better salary scales and working conditions for workers and professionals in science-based occupations;

(f) Use of mass media in propagating interest in science and its application;

(g) Provision of more finance, laboratory equipment and other facilities for researchers working on problems of immediate relevance to African development and economic growth problems;

(h) Reduction of finance, equipment and other facilities for researchers whose work is of little or no relevance to the immediate development and economic growth problems facing African countries;

(i) Establishment of a roll of honour for outstanding scientists.

(b) Technology

72. While action in the field of science belongs to the domain of education and training and research, the development and application of technology are crucial to the immediate implementation of the Lagos Plan of Action. In this connexion, two immediate problems and the associated policy action are to be addressed: inventory of indigenous technologies and of facilities for the acquisition, adaptation and dissemination of imported and indigenous technology.

Recommendation 18: Putting science in the service of development and economic growth

73. To achieve these objectives it is recommended that the following should be undertaken:

(a) Review of existing technology plans, policies and instruments including the structure of R & D efforts in technology development and adaptation;

(b) Survey of indigenous inventions and innovations and review of the climate for invention and innovation, including patenting procedures and incentives with special reference to technologies for rural development, and specific problems such as manpower, equipment and parts, dissemination, financial and legal aspects in close collaboration with African inventors;

(c) Review of existing arrangements and methods for handling imports of technology and the effects of such imports on the domestic production of technology. Consideration should be given to the possibility of establishing or strengthening a national "corporation" for that and other purposes;

(d) Survey of the characteristics of transferees, their demands for technology and how to satisfy them;

(e) Survey of the characteristics of transferors, quantity and quality of their technologies, their relevance to African socio-economic problems, and their conditions and methods of transfer;

(f) Review of the role of universities and other third-level educational institutions in invention and innovation, bearing in mind available natural resources and choice of production lines as well as technologies for rural development;

(g) Identification of selected institutions (e.g. railway workshops, post and telegraph workshops, and public works department workshops) to play the role of "teaching companies" analogous to the clinical equivalent of medical internship programmes;

(h) Consideration and promotion of a national "do-it-yourself" movement;

(i) Development of methodologies to generate the demand for technologies and technological information, special attention being paid to the needs of the rural areas;

(j) Development of methodologies and machinery for mobilizing the adaptive technology potential in the non-formal urban and rural subsectors; and

(k) Establishment of an institution responsible for consideration of possibilities for intra-regional and interregional co-operation in several crucial areas of technology development and adaptation.

74. The foregoing constitute the initial activities for bringing science and technology into the process of implementing the Lagos Plan of Action. The major and continuing activities are enumerated in the Lagos Plan which must continue to guide member States in this important area. The guidelines here are only complementary to those in the Plan. In all efforts to develop science and technology, the critical role of products and processes and hence of natural resources must always be borne in mind.

4. Human resources development

75. The implementation of the Lagos Plan of Action requires the identification and development in sufficient quantity and quality of the expertise needed for carrying out priority programmes in the most important sectors of the Plan. Emphasis on the mastery, application and development of science and technology as tools for activating self-reliant and self-sustaining development calls for a thorough assessment and exploitation of the natural resource potentialities of African countries and, above all, for the national planning, development and mobilization of the human resources of these countries. Moreover, the over-dependence in the past on external sources for the supply of high level skills has not only made the costs of management and other services extremely high but has also been responsible for a greater part of Africa's balance-of-payments problems.

Recommendation 19: Integration of human resources development in over-all development and economic growth

76. African countries should therefore accord high priority to the following measures and actions related to human resources development and deployment:

(a) Assessment of national manpower needs in the crucial sectors of natural resources exploitation, science and technology, industrial development, transformation and development of the rural subsector, development of energy resources, transport and communications;

(b) Evolvement of appropriate national administrative and institutional machineries and capabilities for:

- (i) the periodic assessment and planning of manpower needs and training requirements for adequate exploitation of natural resource endowment of the countries and performance of other tasks such as management and research and development in the same area;
- (ii) the co-ordination, orientation and promotion of training policies and programme which will build up the requisite cadre in all other priority areas listed in the Plan;
- (iii) the mobilization of funds for accelerating the training of experts in the crucial areas of engineering, entrepreneurship and management; and
- (iv) the institutionalization of a central advisory council for human resources development and utilization;

(c) In compliance with the recommendations of the First Conference of Ministers Responsible for Human Resources Planning, Development and Utilization held in Monrovia in October 1981, countries should give priority to the reorientation of the education system to render it more responsive to the growing needs of the dynamic transformation of African economies by upgrading the productive capacity of the mass of the population;

(d) Intensification of action in expanding the role of higher educational institutions so that they produce the quantity, quality and types of skills, knowledge and attitudes required to implement the Lagos Plan of Action by:

- (i) reorienting curricula in all fields to the needs of transforming rural communities;
- (ii) developing courses in appropriate technologies for application in food preservation and storage, rural transformation, solar energy, nuclear energy, etc., with particular emphasis on practical training;
- (iii) consolidating and reorienting university research, especially, at the post-graduate level, to achieve a much greater degree of relevance for agricultural, industrial and general socio-economic development;
- (iv) intensifying efforts to integrate university and industry-based research activities as a means of eliminating the current dependence on expatriate personnel for industrial development and expansion;

- (v) formulating manpower plans in consultations with third level education institutions for ensuring the training of suitable numbers and quality of experts for the crucial sectors of the plan;
- (vi) relying increasingly on the use of educational and other training facilities within Africa for manpower development and making such education development-based as well as structured to solve development problems;
- (vii) decentralizing university and other institutions to rural areas and providing more opportunities for training, re-training and up-grading skills for civil servants, engineers, agriculturists, teachers, managers and other professionals already operating within the economy;
- (e) Adoption of dynamic programmes of mass literacy and adult learning through both formal and non-formal systems of education and training with the aim of developing more enlightened, knowledgeable and innovative workers and citizens;
- (f) Development of a dynamic system of monitoring manpower supply and demand within various sectors of the economy as a tool for maintaining a policy of creating employment for school leavers and integrating the productive, distributive and other sectors of the economy;
- (g) Integration of human resources planning and development at all levels of project formulation and implementation with a view to nurturing the growth and survival of indigenous expertise and entrepreneurship;
- (h) A thorough analysis of the magnitude of and reasons for the brain-drain and assessment of ways of reducing it to a minimum and attracting back expertise in areas of high priority in the Lagos Plan of Action;
- (i) In collaboration with the universities, industries and other bodies, a comprehensive review of the content of all educational programmes and textbooks in an effort to make education more relevant to the needs of the Lagos Plan of Action.

5. Women and development

77. An analysis of the present status and conditions of life and work of women shows that they are heavily concentrated in the rural areas of African countries, and are primarily employed in subsistence agriculture and food processing as well as trade, and industries for consumer goods and crafts. In social life, they are relegated to narrowly demarcated social welfare and community concerns.

78. The full development and utilization of women, as a large component of the national human resource potential for industrial entrepreneurship, management, production, marketing, distribution, research and experimental development, institutional services (such as banking, insurance, shipping, civil aviation, business consultancy, tourism, etc.) and so on, is a necessary condition of the implementation of the Lagos Plan of Action and its successors. Moreover,

this need is enhanced by the growing recognition of the importance of incorporating historical and socio-cultural resources in the dynamics of implementation of the Plan.

79. The process of the development and full exploitation of the human resources potential is a matter of increasing urgency if the goal of self-reliance is to be pursued and if the present and expected costs of imported services are to be reduced.

Recommendation 20: Effective integration of women in the development process

80. In view of the foregoing, it is recommended that the following measures be taken by member States:

(a) Review of women's role in agricultural production and distribution with a view to facilitating their access to improved technology and means of production;

(b) Review of women's access to education, science and technology so as to enable them to participate fully in the process of industrial development. Special efforts have to be made at the national level to review the incentive system appropriate to encouraging women and girls to take full advantage of opportunities for self-improving education and training and upgrading of existing skills;

(c) Review of problems of women in business with a view to ensuring that they receive a fair share of general business support services and are selected for special training for entrepreneurial, managerial, technological, etc., functions. It should be recognized that the informal sector involves the greatest share of women, who need access to supportive services and institutions;

(d) Study visits to appropriate countries to gain familiarity with special measures and programmes for accelerating the education and employment of women and girls of unusual talent potential;

(e) Special measures for identifying and accelerating the access of women to decision-making positions in government, parastatals and multi-national economic co-operation institutions (i.e. committees of parastatals on procedures for identifying, training and employing women in e.g. business planning, management, production, marketing, R & D, etc.);

(f) Inclusion in the duties and responsibilities of government organs responsible for manpower studies and planning of the responsibility for monitoring trends in the education and employment of women and factors affecting these trends, with a view to developing corrective strategies; and

(g) Review of existing arrangements for co-operation with and support of national women's organizations with a view to strengthening their role in the above and other programmes for women.

6. Health services, including community water supply and sanitation

81. In these guide-lines, no specific recommendations have been judged necessary for health services because there are at least three plans of action prepared under the auspices of the World Health Organization which should be considered integral parts of the Lagos Plan of Action: "Long-term Health Planning for the Africa Region, 1975-2000", 6/ "Formulating Strategies for Health for All by the Year 2000", 7/ and "Global Strategy for Health for All by the Year 2000". 8/

82. Although the period 1981-1990 has been declared the International Drinking Water Supply and Sanitation Decade, member States are still in the process of preparing their national programmes. However, at the African Regional Meeting on Problems and Needs of Africa in Community Water Supply and Sanitation in August 1980, the following guide-lines were agreed upon.

Recommendation 21: Formulation of programmes for community water 9/ supply and sanitation for the period 1980-1990

83. Member States are urged:

(a) To establish or form a suitable national action committee with a permanent secretariat (including the designation of an officer to provide a liaison with UNDP) and bring together the national authorities in the sector and relevant agencies of financing, planning, resources, etc., to plan and co-ordinate the Decade activities;

(b) To specify institutional arrangements and the allocation of responsibilities including those for planning, the implementation of programmes, operations and maintenance;

(c) To assess the current status of the sector;

(d) To make an investigation, identification and evaluation of possible alternatives to define levels of service in respect of costs and determine the least-cost technologies in order to obtain maximum benefit from limited available resources;

(e) To set specific targets to be achieved over the period of the Decade and for specified shorter periods of time to mesh with national development plans;

6/ Long-term Health Planning for the African Region, 1975-2000. Regional Office for Africa, World Health Organization, Brazzaville, 1974.

7/ Formulating Strategies for Health for All by the Year 2000, World Health Organization, Geneva, 1979.

8/ Global Strategy for Health for All by the Year 2000, World Health Organization, Geneva, 1981.

9/ For a fuller discussion of the issues involved, see "Report of the African Regional Meeting on Problems and Needs of Africa in Community Water Supply and Sanitation" (E/CN.14/NRD/WR/7).

(f) To identify priority projects and/or activities and establish schedules for their implementation on a year-by-year basis;

(g) To define staffing and logistics in relation to the programme of implementation;

(h) To establish funding mechanisms.

7. Food and agriculture

84. As the food and agriculture situation and problems differ from one country to another, the first step is for governments to examine how the proposed priorities and suggested action programmes apply in the context of the concrete situations of their own countries. Therefore, the exercise could be looked at from the following perspectives, namely:

Recommendation 22: Review of all existing activities at the national level in the food and nutrition sector

85. This is essential as a stepping-stone to a critical appraisal of all food and nutrition programmes. After the appraisal, specific priorities will have to be established and projects that are not meeting the greatest emergency needs in the area of food and nutrition will have to be discontinued to release funds and resources for projects and programmes meeting and contributing towards increasing food self-sufficiency. These priorities are clearly listed within the Lagos Plan of Action:

(a) Reduction of food losses;

(b) Improved food security;

(c) Increased food production of food crops, livestock and fisheries through increased rural incomes and improved price policies that create an incentive for food production;

(d) Forestry production (including control of erosion and desertification);

(e) Agricultural research in the relevant areas; and

(f) Agricultural extension services.

86. Action in this area could be undertaken through a co-ordinating body using the facilities of local as well as international consultants in the agricultural field with the cheapest and most effective possible means. In this connexion, local universities and research institutes could be mobilized into a consultative group which will review and critically appraise on-going governmental projects in the area of food production and nutrition along the lines suggested above. This will in the first instance indicate Governments' area of priority action in their interpretation of the Lagos Plan of Action.

Recommendation 23: Establishment of national task force for food and nutrition

87. The task force is to co-ordinate activities of all ministries, institutions and all multilateral and bilateral international organizations concerned with food and nutrition problems in the country. The task force should be given full responsibility for immediate and effective increases in food availability throughout the country. For the effectiveness of the task force, the following guidelines are proposed:

(a) An immediate increase should be effected in the national budget allocated to agriculture, without which there can be little effective action;

(b) A commitment should be made that, henceforth, a substantially increased proportion of all foreign aid (loans and grants - ODA) would be invested in the food and agriculture sector, at least for the rest of the Decade. This will minimize the diversionary tactics and salesmanship of some donors. Consequently, donors genuinely concerned with improving Africa's economic situation will be well informed of Governments' priorities;

(c) Effective trade liberalization at national, subregional and regional levels must be vigorously pursued. To this end, it is imperative to decide categorically and immediately on free movement for all food and agricultural raw materials within the region;

(d) Ways and means should be found for generating improved responsiveness and action should be taken to implement previous relevant proposals, programmes and projects at the national, subregional and regional levels;

(d) The above has to go hand in hand with effective pricing and fiscal policies in favour of the agricultural sector, both in the short and long runs, without which resource allocation in the private sector may reflect inconsistencies and impede programme cohesion;

(f) Furthermore, as a basic principle, a rapid expansion of integrated small-scale village-level agro-allied processing on a massive scale is conducive to improved food preservation and increased production. This policy will clearly assist in improving farm-gate value-added, increasing farm income and rural employment, and thus lay the foundation for rural transformation; and

(g) Payment of subsidies where necessary to assist farmers has to be determined on the basis of priorities.

88. Action in this area should be undertaken simultaneously with the first proposal and could include assistance from the international agencies under the proposed strategic review missions whose terms of reference are reproduced below:

Terms of reference of the proposed strategic review missions

Purpose

89. The purpose of the strategic review missions is to advise on the adoption of appropriate policies and institutions, as well as the determination of priority areas for programmes in the field of agricultural and rural development with focus on increased food production, improved self-sufficiency and food security.

Duties

90. In general terms, the missions will undertake the following tasks:

(a) Review existing policies and programmes in the fields of agricultural and rural development with a view to assessing their impact on improved food self-sufficiency and food security;

(b) Assess the major constraints - economic, physical, technical and institutional - as well as the possibilities for increased food production and improved agricultural and rural development;

(c) In the light of the above review and assessment, determine the priority areas for short- and medium-term action, discuss with the government the need for possible adjustments in existing policies and programmes and indicate the broad implications of such adjustments in terms of resource allocation (domestic and external);

(d) Identify priority areas for new programmes and projects and indicate possible needs for further technical and financial assistance in the formulation and appraisal of such programmes and projects;

(e) Perform any other relevant tasks agreed upon in consultation with the government.

Composition

91. The composition of the missions could be limited to the provision of expertise in policy and programme analysis, rural development, including expertise in finance and resource mobilization and, if so required, also in one or more technical fields such as land and water development, crop production, livestock and fisheries.

92. The exact composition of the team will be determined in consultation with the Government concerned. The strategy review missions will be fielded by FAO, ECA and OAU at the request of any member State.

Recommendation 24: Monitoring implementation

93. This will be at two levels (national and international) in relation to the reports of evaluation teams: At the national level, it is essential that a quarterly or biennial report of not more than two pages on each major, repeat major top priority project, should be prepared and submitted to the Task Force group. The report must be terse, concise and useful in the sense that it must include areas of achievement, areas of failure and recommendations for improved implementation. At the national level, annual reports must be prepared by each government on its effort, with copies sent to FAO, ECA and OAU. The report should give concise information on a project-by-project basis within the context of the priorities listed in the Lagos Plan of Action, the relevant information must include a year-by-year programme of activities that governments have set for the implementation of priority areas including achievements and constraints being faced.

Recommendation 25: Agricultural census

94. As a basis for reorientation in the food and agriculture sector each member State should, where it has not been done recently, undertake an agricultural census with a view to obtaining information on production (levels and composition) and post-harvest losses, factor inputs (water, land clearance, land reclamation, fertilizers, labour and machinery, if any); production organization, distribution facilities, including co-operatives, marketing boards and transport facilities; and problems confronting production and distribution, including government policies on prices, credit, subsidies, climatic conditions and management. The following should also be carried out: analysis of activities in terms of contribution to satisfaction of domestic needs; analysis of labour by grades; and analysis of technology used by factor proportions and sources.

95. The information obtained from this exercise coupled with that available from soil analysis and the analysis of the activities of research and development institutions in the food and agriculture sector should provide a sound basis for fresh efforts in this important sector.

8. Industry

96. Since the adoption of the Lagos Plan of Action, the United Nations General Assembly has formally declared the period 1980-1989 as the Industrial Development Decade for Africa 10/ and the Conference of African Ministers of Industry met and prepared an IDDA programme in the context of the implementation of the industrial component of the Plan. 11/ The guide-lines provided here are based on the modalities worked out by the Ministers for the implementation of the Industrial Decade programme.

Recommendation 26: Formation of national co-ordinating committee

97. In order to accelerate the implementation of the Industrial Decade programme, each member State should set up a national co-ordinating committee whose task will be to provide direction and guidance for the translation of the "framework for the Decade programme" into a national programme for the promotion, implementation and monitoring of the Decade at the national level.

98. The national co-ordinating committees which should be made up of high-level experts drawn from ministries of industry, planning, agriculture, natural resources, energy, finance, transport and communications, education, trade and commerce, parastatal organizations involved with industrial development, major private sector enterprises, small-scale enterprises, educational and research institutions, private consultancy organizations, chambers of industry, commerce, etc., trade unions, major political parties and other relevant bodies should be concerned with the following:

- (a) Promotion and popularization of the Decade Programme;
- (b) Organization of national seminars and brain-storming meetings on the various issues relevant to the Decade as far as the country is concerned;
- (c) Organization of the diagnosis and analysis of the industrial structure of the country; and

10/ See General Assembly resolution 35/66B.

11/ See ECA/IDD.1/INR/VP/1 - ECA/CMI.6/INR/VP/1; ECA/IDD.1/INR/VP/2 - ECA/CMI.6/INR/VP/2; A/IDD.1/INR/VP/3 - ECA/CMI.6/INR/VP/3; ECA/IDD.1/INR/VP/4 - ECA/CMI.6/INR/VP/4; ST/ECA/INR/5; ECA/CMI.6/INR/8.

(d) Arrangements in collaboration with the Ministry of Natural Resources and other relevant bodies for the collection and analysis of information on the natural resources available in the country as basis for determining feasible product lines which the country can undertake individually or in co-operation with other African countries.

Recommendation 27: Incorporation of the concepts and ideas of the Decade programme in the framework of national development goals and objectives

99. The implementation of the programme for the Industrial Development Decade should begin with the incorporation, as appropriate, of its subprogrammes, concepts and ideas into the framework of national perspective, long- and medium-term development goals. In this connexion, an important point of departure will be the identification of the indigenous productive capacities which, if created, would enable individual African countries gradually to meet from within their changing domestic basic needs and key development inputs requirements. It should be understood that the Decade programme is aimed at creating a foundation for the achievement of self-reliance and self-sustainment in accordance with the objectives of the Lagos Plan of Action.

100. For many countries, and groups of countries, there would be a need to modify existing plans, programmes and policies so as to facilitate the introduction of new national and multinational strategies and the establishment of structures required to develop and implement appropriate priority programmes in relation to priority needs. To this end, there will also be a need to undertake a diagnostic and analytical study of the existing industrial structure with a view to enhancing knowledge about industrial characteristics and the practical factors that impede national efforts to industrialize.

101. Such a diagnostic and analytical study will cover the structure of industry in terms of product and production organization; analysis of factor inputs and sources; analysis of the contribution of the sector to meeting domestic needs; analysis of manpower by skills; and analysis of technology employed in terms of factor proportions and sources.

102. In view of the importance attached to the domestic production of inputs into food and agriculture, agro-industries, energy generation and transmission, transport and communications, mining and small-scale industries, the areas of interest to member States will be among the following groups: (i) mining and processing of iron ores, copper, bauxite, basic chemicals, petroleum and gas, and phosphates, potash, salt and other chemical raw materials; (ii) key intermediate goods industries, e.g. iron and steel, copper products and aluminium, ammonia, phosphoric acid, pharmaceuticals and other basic chemicals and building materials and selected areas of mechanical and electrical engineering industries, including spare parts. These will of course be combined with consumer goods.

103. The knowledge of the major product lines a country expects to produce over the medium- and long-term as well as the quantitative targets in material terms, when combined with a commitment to produce the desired output, utilizing indigenous agents of production as much as possible, would enable the country to determine the raw material needs as well as intermediate products; the scope of its management and skilled manpower requirements; orders of magnitude of the financial investment requirement at least for key products as well as the scope of technological and design capabilities to be developed.

Recommendation 28: Review and readjustment of the governmental machinery for industrial development

104. The efficiency of the governmental machinery for the allocation of resources and regulation of agents of industrial production and the efficiency with which their activities are carried out need to be evaluated. ^{12/} In this connexion, the activities of the Ministry of Industry or a similar body, its extension services and location policy should be critically examined, as well as the mutual feedback between the Ministry of Industry and the ministries and government institutions responsible for agriculture, trade and commerce, mines and mining, power, transport and communications, monetary and fiscal policies, statistical services and industrial research, etc.

105. At the sectoral level, it is important that the Ministry of Industry, industrial parastatals and other institutions be well organized and staffed in a manner conducive to specialization and complementarity. The Ministry of Industry should thus pursue a policy of harmonious operational relationship with the other ministries and governmental organs, which must take into account the complementarities of their mutually supportive and feedback activities. A focal point must be established within the Ministry to act as secretariat of the national co-ordinating committee to handle the day-to-day work of the Decade and to liaise with the central organizations (OAU, UNIDO and ECA) and other bodies set up at the regional and sub-regional levels for the Decade.

Recommendation 29: Activating the agents of production and distribution

106. The implementation of the programme will depend largely on the goals, behaviour and capacities of the agents of industrial production and distribution (which in the region comprise indigenous private, State and foreign investors), and incentives offered to them. Hence, depending on domestic conditions and utilizing the relevant experience of other third world countries, it is recommended that measures be taken to enable State and private enterprises to produce the products enumerated in paragraph 102 under recommendation 27 above. Public utilities must also be involved in this orientation.

(1) Public sector enterprise

107. It is recommended that public sector enterprises should be run on commercial basis with the right to hire and fire and possibly with some equity and shares held by workers as incentives.

108. To assist public sector industrial enterprises in particular and other public enterprises in general in their operations, it is further suggested that Governments should set up a co-ordinating body such as a Bureau of Public Enterprises which would be used for evolving a common policy and approach to similar problems encountered in various State enterprises, although they may belong to different ministries.

109. The Bureau will:

(a) Promote national consultations among public enterprises on the role they could play in the adoption of the Decade programme within the framework of national resources, circumstances and possibilities and its implementation;

(b) Organize study tours to State enterprises in different sectors in such countries as Mexico, India, Brazil, etc. With such a "demonstration effect", countries could learn from successful public enterprises in other developing countries; and

^{12/} For further information on this point, see document E/TDD.1/TMD/WP/2.

(c) Organize national consultations arising out of the study tours suggested above, including considerations of technical assistance from enterprises visited, joint ventures, etc., on the basis of TCDC framework. In addition, it may be desirable to have:

- (i) A national academy of State enterprise managers or a similar arrangement to provide training for human resources development at various managerial levels; and establish
- (ii) A permanent national machinery for consultations among State enterprises on the status and prospects of the national economy and the role of State enterprises, on improvements in performance and performance indicators, etc.;
- (iii) Multinational associations of State enterprises operating within the same sector or subsector with a view to promoting joint initiatives as indicated above.

(2) Medium- and small-scale industries

110. In the area of medium- and small-scale industries in both urban and rural areas, indigenous private enterprises and/or co-operatives have the potential for making the greatest contribution to the development of industry. Therefore, it is recommended that the following measures should be taken with a view to promoting such industries:

(a) The creation of a small-scale enterprise promotion centre for this purpose;

(b) Compilation of a list of indigenous small-scale businesses and prospective small industrial entrepreneurs who genuinely need and seek the assistance and support of the government;

(c) Establishment of physical support systems. The cost of industrial premises is one of the factors which inhibit potential small producers from engaging in industrial production. To improve this situation, it is recommended that member States which have not done so should embark on planned construction of industrial premises taking into account the supply of water, electricity and other utilities. Assurance of availability of raw materials, especially those in short supply in the country, of machinery, equipment and spare parts and maintenance services should be part of the package of this assistance. Similarly, there should be prototype centres for small-scale industrial units to experiment with and innovate new products and premises as well as common testing facilities and quality control methods. These facilities could be rented to individuals and/or co-operatives;

(d) Consultancy services. The lack of adequate facilities and costs of formulating and preparing industrial projects restrict the volume of industrial investment. Therefore, to assist indigenous industrialists, each member State should create a national consulting engineering corporation whose tasks will include project design and detailed engineering; choice of production technology; selection and procurement of machinery and equipment; monitoring of project construction; management consulting; and legal advice. Other activities of the corporation would be the development of a portfolio of projects which would contain project profiles with broad technical and financial parameters of projects including approximate capital cost, return on investment, raw material sourcing, size of market, the

preparation of feasibility studies and guide-lines on operation techniques. Appropriate fees would be charged to clients, starting with a nominal fee and the rest of the cost paid when the producer has successfully started operation;

(e) Financial support. Lack of finance could be a great handicap for small-scale industrialists. To help to deal with this situation, a special corporation should be set up to help to search for and mobilize financial resources for raw materials and equipment. Subsidized interest rates on loans, transport subsidies and price supports are some of the assistance which such a corporation can give;

(f) Marketing support. A special institution should also be set up to act as the marketing agency for the products of small-scale entrepreneurs. Advice on marketing and provision of industrial operational manuals in both official and local languages should also be undertaken by this institution;

(g) Other support measures. Policy measures such as reservation of a number of items which can be manufactured only by the small-scale sector, incentives to large-scale industries to develop ancillary small-scale units as suppliers of requirements for products and components for them, and a certain amount of protection by the government from unfair competition are other measures that can be taken to help medium- and small-scale industrial entrepreneurs. Still other measures are support for standardization and quality control and training and manpower development, the development of appropriate technological inputs, and the promotion of technical co-operation among developing countries (TCDC) activities in the fields of entrepreneurial and managerial development and consultancy.

(3) Support for foreign investors and entrepreneurs

111. The high capacity of foreign investors and entrepreneurs is well known. Moreover, these investors have a preference for specific types of projects; their perception of risk and uncertainty in Africa is high; they have preference for short-term investments; and they are sometimes engaged in restrictive practices. To accommodate them, options include: (i) careful study of their preferences to determine possible areas where they can contribute effectively to the industrialization process without stifling indigenous enterprises; preparation of guide-lines for joint ventures in the context of indigenization programmes; and determination of incentives to correspond to benefits.

112. Other measures to cope with foreign investors and entrepreneurs will include the following:

(a) Improvement of industrialization legislation directives to come with the new trends in the pattern and objectives of industrial investment, and promotion of information systems which would encourage investors to conform with national industrial development objectives while giving them the necessary guarantees;

(b) The design of a package of incentives such as tax relief aimed at attracting foreign investment so that the basic developmental objectives of the country are not sacrificed;

(c) Easy access to information on investment opportunities, economic climate, resources endowment and other data which a potential foreign investor needs to develop his interest. Appropriate project portfolios would also be of help in this regard;

(d) Creation of an investment centre which could provide all the information and facilities to potential investors. Such an organization would, of necessity, have offices in various countries abroad, even on a joint basis with other African countries.

(4) Support measures for joint ventures

113. Joint ventures between the Government and foreign partners and between indigenous private investors and foreign partners are likely to prove useful in implementing the programme for the Industrial Development Decade. Therefore the following measures are recommended for the promotion of such ventures:

(a) Assistance to local partners in the choice of suitable joint venture partners and to ensure mutually advantageous joint ventures arrangements which should be also in harmony with the strategy of the country; and

(b) Support services to local entrepreneurs - public or private in the process of negotiation. The Investment Centre recommended for foreign investors could take on this function. However, a separate body or a division within the Centre would have to be created with expertise and experience in the process of negotiations for joint ventures.

(5) Choice of technology

114. When foreign investment dominates industry as has been the case in the African region, the choice of technology and its costs in terms of technical fees have always been determined by the foreign management according to their whims and caprices. To change this situation, it is important to formulate a national technological plan and programmes as an integral part of development plans. In addition, it is proposed that, depending on the expected growth of indigenous enterprises, member States which have not done so should (i) create, initially, one national technological corporation which will, on behalf of its clients (mainly indigenous private, co-operative and state enterprises) search, evaluate, and negotiate for the purchase of technology, licences and equipments; and (ii) establish, depending on the potential domestic demand, one or two development corporations to commercialize indigenous technologies and new products as well as prototypes for carefully selected product categories. The corporation will also sell technical know-how to local industry, design and undertake installations and test-runs.

(6) Role of government expenditure

115. Government expenditures constitute significant portions of all expenditures in any economy. This purchasing power can be and has historically been used to stimulate the growth of specific branches of industry. Therefore, where it is not yet the practice, it is recommended that member States should use the method of allocating certain shares of purchases for small- and medium-scale enterprises and enact procurement laws that will favour small- and medium-scale industries. Such measures may need to be supplemented by rationalization programme aimed at upgrading equipment, financial support, standardization, quality control, and efficient organization of marketing, possibly through a small-scale industrial development and marketing corporation.

Recommendation 30: Collective self-reliance

116. The implementation of the industrial programme section of the Lagos Plan of Action will definitely require the pooling not only of raw materials but also of markets, human resources and institutions. In this connexion, it is proposed that each member State should establish, within the appropriate government structures, facilities for the promotion of intra-African investment in joint ventures especially those for raw materials and intermediate goods production and equity participation by other African countries in national projects with payments in products and/or

barter trade; the joint use of training institutions; and the establishment of trading enterprises to promote the sale of products of joint ventures. To achieve these objectives, measures will have to be taken to reform domestic trade and distribution including the control of internal distribution by indigenous businesses with all that implies in terms of credit, management and marketing, training, etc.

9. Building and construction

117. There are many reasons why special and immediate attention must be paid to the building and construction sector, including the ancillary subject of building materials production and distribution. From the information available, this sector is one of the fastest growing sectors of any African country, thanks to various government projects, rising population and urbanization and expanding to development and growth activities in general. It is the fastest employment generating sector even though such employment is not stable because of the demand and supply situation in the sector. It is the sector where there are entrepreneurial capabilities. Because of its large need for intermediate inputs (owing to the extensive activities covered: dams and hydro-electric schemes, tunnels, airports, stadiums, railroads, underground railways, harbours, highways and bridges, land reclamation, works, industrial buildings, residential buildings including prefabricated ones), it is the sector that now depends heavily on external sources for such inputs and accordingly it is the sector where there are opportunities for inter-State co-operation in the production of building materials, equipment and machinery.

118. While research was shown that (i) few kinds of construction work require special equipment and specialized construction workers, (ii) only a small number of building jobs have to be done exclusively by qualified workers; and use unskilled and semi-skilled workers, ^{13/} it has also been found that "just over a quarter of gross output goes in wages and salaries, the rest is depreciation, interest, rent and profit". ^{14/} Thus when it is known that the big contracts on which the information available is mostly based are dominated by foreign companies with foreign capital and high level skills, it is clear that this factor and the high independence on external sources for materials made the building and construction sector a big source of leakage of foreign exchange. And this is a sector that does not export anything. In effect "a relatively high import content noticeably reduces the impact on the gross domestic product, as well as (produces) a negative net balance-of-payments effect because of minimal or non-existent exports". ^{15/} "All in all, construction appears to be a sector which, thanks to its links with the building materials industry and with other branches of manufacturing, (and natural resources), can generate demand on a broad front. Its potential over-all economic effect, however, is curtailed by the constant pressure on the import front". ^{16/}

^{13/} Jurgen Riedel and Siegfried Schultz, Construction and building materials industry in developing countries, economics (A bilingual collection of recent German contributions to the field of economic science), vol. 21, p. 52.

^{14/} Ibid., p. 42.

^{15/} Ibid., pp. 44 and 45.

^{16/} Ibid., p. 53.

Recommendation 31: Indigenization of the building and construction sector

119. It is recommended that Governments should take the following measures:

(a) An analysis of building and construction activities in terms of: (i) ownership of businesses; (ii) sources of financing; (iii) physical outputs and composition as well as patterns of demand; (iv) employment trends and their composition in terms of unskilled; semi-skilled, skilled and specialized labour; (v) types of materials being used and sources; and (vi) types of technology in terms of factor proportion and source;

(b) Inventory of deposits of mineral raw materials for the building materials industry and investigation of possibilities for their prospecting and exploitation;

(c) Establishment of building materials manufacturing industries at the national level if possible and on a multinational basis in order to reap the advantages of economies of scale;

(d) Formulation of policies to assist indigenous entrepreneurs through: (i) finance; (ii) training; and (iii) support services in terms of information on materials sourcing and technical advice;

(e) Establishment of institutions for research on the suitability of local building materials and dissemination of the results of such research;

(f) Encouragement of more subcontracting by big firms so as to help small- and medium-scale operators gain experience and build up their capabilities;

(g) Training of professional people (civil engineers, architects, quantity surveyors, etc.) to work in domestic consulting businesses;

(h) Cutting back foreign firms' foreign exchange and personnel quotas to persuade them to use more local materials, contractors and professionals;

(i) Establishment of African multinational building and civil engineering firms to undertake the big projects in the United Nations Transport and Communications Decade in Africa and other growing activities in petroleum and chemical pipe-laying, airport building, factory and other buildings construction, etc.; and

(j) Systematization of the statistics on building and construction, including the enormous activities going on in the informal sector.

10. Human settlements

120. Uncontrolled economic activities and rapid population growth have resulted in what for lack of better words has been described as the negative effects of development and economic growth: depleted natural resources and the desertion of such areas by the inhabitants; rural-urban migration and the consequent imbalance between the urban and rural areas of the country; pathological urbanization with the associated problems of rapid build-up of shanty towns, urban congestion, inadequacy of water, electricity, health and education services.

121. As a result of all these, the quality of life has become materially affected. Development and economic growth activities are becoming more and more costly. It is in order to eliminate totally these past and present adverse effects of development and economic growth as well as to prevent their occurrence in the future that

human settlements policy and programmes are necessary. Such policy and programmes require that constant attention be paid to (i) the distribution of the population in relation to production, distribution and facilities for human survival, natural resources, transport and communications, water, other utilities, and recreation facilities; and (ii) a balanced and appropriate spatial distribution of administrative, economic, social, cultural and physical infrastructural facilities as means for sustaining development and economic growth activities. In other words a sound town planning policy that integrates socio-economic and spatial aspects of planning in a mutually supportive way constitutes the heart of human settlements policy and programmes.

Recommendation 32: Integration of human settlements policy and programmes in the process of development and economic growth

122. In order to initiate action and sustain activities in this important area, it is recommended that member States should take the following measures, where they are not already being taken:

(a) Establishment of the legal basis for human settlements planning through the creation of an institution which should be able to deal with the main components of physical planning: national urban policy; policy on the pattern of land use; and policy on the urban land situation;

(b) Survey and analysis of the existing situation with respect to human settlements with a view to establishing the data base for action. Such survey and analysis should have physical, geographic, demographic, economic, social and cultural components;

(c) Preparation of a national physical plan comprising a national atlas showing the desirable pattern of surface utilization, national grids of water and power, natural resources, networks of highways and communications channel; such a national physical plan should also show the national settlement structure which would result in the foreseeable future if the different plans designed to achieve an identified image of that future are implemented;

(d) Development of a comprehensive building and construction policy aimed at strengthening the capabilities and capacities of indigenous entrepreneurs as already discussed under the section on building and construction above, expanding demand for housing needs particularly of the lower income groups through appropriate land policy, sites and services and financial help;

(e) Integration of human settlements policy and programme into the framework of socio-economic planning by stressing the need to bring about the integration of urban and rural settlements into a mutually supporting network of production and exchange; and

(f) A continuous evaluation of physical spatial and environmental aspects of national plans and an economic appraisal of physical development proposals so as to avoid and remove spatial disparities in the distribution of the benefits of national growth, income inequalities among different regions and social strata, and generally unsatisfactory environmental conditions both in rural and urban areas.

11. Environment and development

123. As recognized in the Lagos Plan of Action, continued neglect of the damage that uncontrolled development and economic growth activities can do to the environment is bound to endanger future growth and development possibilities. Hence the need for continuous monitoring of the impact of human activities and natural phenomena on the ecosystem. Moreover since development and growth activities have spatial, sectoral, and human dimensions, the problems of environment and development have to be handled at these levels. Further, the impact of such activities has to be anticipated and planned for instead of being allowed to take the authorities and the population unawares.

Recommendation 33: Management of environmental policies

124. In view of the foregoing and as a means of managing environmental problems effectively, it is recommended that member States:

(a) Establish or strengthen its national environmental secretariat or other environmental machinery at the highest possible level to co-ordinate the various strategies and programmes that are being developed by the various ministries for solving sectoral environmental problems as already described in the Lagos Plan of Action, at the national, subregional and regional levels;

(b) Collect data on existing environmental problems in the areas of natural resources exploitation, water and air pollution and conservation management practices and analyse and disseminate them through environmental education and community training to create awareness about environmental protection for the improvement of the quality of life of the people;

(c) Strengthen legislative and law-enforcement departments and procedures to review existing environmental laws, develop new laws as the need arises and make their enforcement effective especially for the control of exploitation of natural resources for sustained economic development;

(d) Establish a national standards board to set up national environmental health criteria and the tolerable levels of chemical pollutants (including solid waste) from industry and agriculture in the air, soil, water and in the marine environment in co-operation with ARSO, WHO, etc.;

(e) Strengthen the national standards/analytical laboratories and identify country-wide research institutions and university laboratories to monitor pollutants in the air, soil and water to protect the human environment;

(f) Create and/or enhance public awareness for the protection of the environment through the use of environmental education programmes in the national news media so that public participation can help the Government to keep in constant review the state of the environment in the country;

(g) Develop the necessary environmental manpower at both the middle-level technician stage and the research scientist level through undergraduate training, particularly at institutions within Africa; strengthen national institutions to hold environmental in-service training for government officials at regular intervals and organize international workshops for environmental research workers; and

(h) Review the terms of reference of various national licensing boards, agencies, corporations responsible for promoting economic development for a proper control of their activities relating to large-scale agricultural projects, mining exploration and exploitation, fisheries, forest exploitation, agro-based, metallurgical, chemical and mining industries so that the potential environmental impact of their activities can be taken into account at the project formulation stage before it is too late and generally more expensive to resort to remedial action.

12. Transport and communications

125. Transport and communications have an important role to play in the restructuring of the economic base of Africa - the main objective of the Lagos Plan of Action. This important role derives from the characteristics of the sector as (i) a provider of critical service inputs (by carrying goods and materials) into all the social and economic sectors, (ii) a leading user of the products of the engineering sub-sector, and (iii) a means of carrying people and messages from one place to the other and of linking one place to the other. In this connexion, at the national level, the present fragmented characteristics of the market have to be connected through the construction of farm-to-market and rural-urban roads. Similarly, if collective self-reliance is to be a reality, then the physical integration of the continent through the development of all the modes of transport and communications is imperative. It is in the framework of these characteristics that the United Nations Transport and Communications Decade for Africa (UNTACDA) derives its importance. Therefore, every member State should give the implementation of the programme for the Decade priority.

Recommendation 34: Implementation of the Programme of the United Nations Transport and Communications Decade in Africa (UNTACDA)

126. It is recommended that every member State take the following measures:

(a) Review of the existing situation with regard to all modes of transport and communications and in relation to the distribution of natural resources, population distribution and industrial location;

(b) Survey and analysis of transport and communications activities by mode, output and inputs as well as by type of ownership of businesses in this sector. An assessment of possible bottle-necks, sources of vehicles, machinery and equipment, including analysis by capacity should be carried out. Such an assessment should also cover capacities and capabilities to maintain existing vehicles and other means of carriage. The review of the present situation and the surveys and analysis of transport and communications activities will pave the way for meaningful transport and communications planning;

(c) In planning the new pattern of transport and communications, Governments should pay attention to:

(i) The need to make full use of inland water transport, which is one of the cheapest modes of transport by determining and improving the navigability of rivers, introducing more efficient vessels adapted to the conditions of navigability, establishment of schools for training of personnel, improvement of management and operation of inland water transport;

(ii) Take full account of the possibility of using labour-intensive technologies in the construction and maintenance of transport infrastructures;

(iii) Pay due regard to the dominant role of transport materials, equipment and construction services in national development plans and the need to develop as rapidly as possible indigenous materials, equipment and services. In this connexion, Governments should take vigorous steps to examine the impact of inadequate maintenance on the capital value of fixed assets and adopt as well as encourage measures for the widespread adoption of more intensive practices of preventive as well as curative maintenance;

(v) In railways, action should be taken with a view to making the present railways fully efficient, including rehabilitation of existing tracks, modernization of rolling stocks, and improvement of management and operation through training of personnel;

(v) In maritime transport, training in maritime academies and national nautical colleges established for that purpose should be encouraged including the promotion and establishment of multinational shipping lines and action should be taken to increase the African share in maritime freight;

(vi) Efficiency of port operations could be achieved through training, introduction of new management techniques, better utilization of the existing equipment and facilities, and modernization of equipment where required;

(d) In order to improve the chances of effective economic co-operation, governments will have to participate in the development of multinational inter-modal transport networks, so as to facilitate the development of intra-African trade in industrial raw materials and other goods and services since without this promotion of complementarities among raw materials and activities between member States, both the volume and the range of diversification of production will continue to be limited. In this connexion, it is recommended that Governments take the following measures:

(i) In the exploitation of natural resources, high priority should be given to UNTACDA projects in view of the need for complementarity among raw materials and activities of member States as indicated above;

(ii) With respect to air transport, extension and modernization of airports, co-operation should be promoted among national airlines in order to increase their efficiency and reduce costs as a first step towards the creation of multinational airlines, and agreements should be reached on air tariffs, on traffic rights and on schedules to ensure suitable connexions between African countries;

(iii) With regard to road transport, the main objective would be to establish all the trans-African highway authorities and at a later stage, an African Highway Association to provide a forum for the exchange of ideas and information on roads and lay the foundation for harmonizing and standardizing of design and regulations. Interconnexions of national networks with the networks of neighbouring countries should be promoted to facilitate transport, trade and communication within and between countries; and

(iv) A regional research institute should be established so as to promote research in the field of multimodal transport.

13. Markets and marketing

127. As already indicated, restructuring the economic base of African countries requires that the national and regional markets be ~~re~~structured and developed.

Recommendation 35. Restructuring national and regional markets

128. As a basis for this restructuring and development, it is recommended that:

- (a) The structure of the national market be analysed in terms of its characteristics, in particular ownership of marketing enterprises (national, both Government and private, and expatriate), degree of competitiveness (monopolistic, oligopolistic, duopolistic and perfect competitive), sources of financing and the composition and characteristics of entrepreneurs in this sector;
- (b) The role of trade marks, brand names and promotional techniques in changing market dynamics should be surveyed and analysed;
- (c) A study should be undertaken of fragmentation of markets as a result of product differentiation and unnecessarily large numbers of technical design standards, and of market penetration, product substitution and rapid product succession;
- (d) An analysis should be made of the special problems (managerial, financial etc.) confronting national small- and medium-scale distributors;
- (e) A survey and analysis of intra-African trade should also be undertaken by each member State with a view to identifying opportunities for and obstacles in the way of expanding such trade;
- (f) A review of the activities of State trading corporations should be undertaken with a view to identifying their strengths and weaknesses, particularly in relation to services to small producers as outlets for their products and in relation to intra-African trade.

129. The information obtained through these surveys and analyses will provide the background for action in the following areas:

- (a) Policies for assisting indigenous entrepreneurs in this important sector so that they can upgrade their capacities and capabilities;
- (b) Establishment of institutions for providing support services to traders in the field of market research and analysis;
- (c) Intra-African co-operation in trade and exchange-rate policies, arrangements for joint export and import of goods and services, particularly through State trading corporations, and arrangements for joint project design and implementation;
- (d) Improvement of existing or establishment of new clearing house arrangements; and
- (e) Design, establishment and management of an African Monetary Fund.

130. One other important issue which African countries must consider is the possibility of bartering their primary commodities, particularly petroleum, other fuel minerals and non-fuel minerals for capital and other goods with which to accelerate the exploitation of their natural resources and their industrialization. The experience already gained by the countries of the Middle East in this area could prove very useful.

14. Government machinery and other development support institutions

131. Whether as the setter of development objectives, the distributor of resources or the regulator of the activities of all the agents of development and economic growth in the economy, modern governments have become dominating forces in the economy, and hence there is a need to evaluate the efficiency with which their activities are carried out.

Recommendation 36. Review and analysis of government machinery

132. In this connexion, the activities of the following government departments and other development support institutions should be critically examined: the Central Planning Office vis-à-vis its role as the co-ordinator of development efforts; Ministry of Agriculture and its extension services; Ministry of Industry, its extension services, and location policy; Ministry of Trade and Commerce, particularly in relation to the issuing of licences and trade promotion; Inland Revenue Services; Ministry of Mines and Power; Ministry of Transport and Communications; the statistical services, and research institutes. The monetary, fiscal and tariff policies of the Government should be examined, as should the activities of local governments and its institutions, all with a view to making such institutions efficient in the discharge of their responsibilities.

15. The external sector

133. Mention has already been made of the fact that the Lagos Plan of Action is meant to restructure the economic base of Africa. To establish realistic programmes for such restructuring, strong attention has to be paid to the external sector.

Recommendation 37. Special analyses of the components of external transactions

134. In this connexion, special analyses of the following items should be carried out:

(a) Exports and their destination; imports and their provenance; types of exports and imports in commodity terms so that the inputs into the production of such commodities can be studied in relation to raw materials available domestically;

(b) The services sector: banking, insurance, consultancy; payments for education and education services; travel; expenditure on foreign representation and participation in international meetings and conferences;

(c) Imports of parts, components, etc.;

(d) The debt situation, including volume and nature of grants, loans, and direct foreign investments; terms of aid, loans and grants in terms of the extent to which they are tied, period of repayment, interest rates, etc.;

(e) Technical assistance, including relevance to development needs, contributions, particularly to local costs by recipient governments;

(f) Technology imports (methods of importation, types in terms of relevance to domestic development needs, terms of purchase, etc.); and

(g) Studies on the use of aid and technical assistance in the past should also be carried out.

135. The information obtained from these analyses and studies will not only highlight the present problems but also indicate the extent of internationalization measures to be taken when planning.

IV. COLLECTIVE SELF-RELIANCE

136. Because of the large number of small countries in Africa, which cannot on their own undertake viable socio-economic development activities and of the uneven distribution of natural resources, economic co-operation is imperative. Indeed, while the bulk of the proposals in the Lagos Plan of Action will have to be implemented at the national level, the successful and effective implementation of such proposals for national action may even depend on the manner in which economic and technical co-operation activities are organized and implemented.

Recommendation 38: Subregional seminars or conferences

137. Therefore, in view of the crucial role of co-operation for the implementation of the Lagos Plan of Action, it is recommended that seminars or conferences on the Strategy and the Plan should be organized within the framework of subregional and other multinational economic groupings ^{17/} with a view to making member States understand the reasons and arguments behind the strategy and the Plan and the linkages between the required activities at the national and those at the subregional levels. Seminars or conferences can even be organized at two, three or more country levels.

Recommendation 39: Strengthening existing co-operation arrangements and institutions

138. Action at the national level as well as the seminars or conferences at the subregional or other multinational levels will have revealed the imperative need for co-operation with other countries. It is strongly recommended, therefore, that member States should strengthen existing co-operation arrangements, ^{18/} such as the various economic communities, and existing institutions, such as research institutes, training institutions and joint enterprises in the fields of transport and communications, energy, food and agriculture, etc.

139. As a basis for strengthening existing co-operation arrangements and institutions, each member State should establish a national study group to review: (i) national machinery for economic co-operation, as well as multinational organs for economic co-operation with governments' participation, with special reference to: (a) terms of reference and constitution of such multinational organs in the context of the Lagos Plan objectives; (b) balance of multinational co-operation organs in which the government participates between those performing administrative and secretarial services and those concerned with natural resources, development of factor inputs, production and marketing, or R & D, etc., and (c) effectiveness of national and multinational organs in cost-benefit terms; and (ii) role of national State trading organizations with a view to: (a) improving effectiveness; (b) encouraging intra-African trade in the light of the Lagos Plan; and (c) expanding functions to include technical assistance to indigenous medium- and small-scale trading enterprises. Governments could organize study tours to selected multinational co-operation organs in selected subregions or groups of countries with a view to observing them at work and discussing with their staff the problems of co-operation.

^{17/} Such as ECOWAS, Council of the Entente, UDEAC, etc.

^{18/} Strengthening existing co-operation arrangements may involve the extension of membership of existing institutions as is happening in Central Africa under the aegis of UDEAC.

140. The support that will be forthcoming can take a concrete form in the increased use of the services provided by such co-operation arrangements and institutions in the context of the need to internalize the supply of factor inputs, as follows:

(a) Natural resources. Joint requests for assistance in exploration, evaluation and development can be submitted to aid donors. In particular, the evaluation of the potentials of common river and lake basins can be jointly requested because of the present acute problems of food, agriculture and energy. On the other hand, with respect to existing institutions, member States should make greater use of the services of the cartographic and aerial survey services centres, the mineral development centres and the Remote Sensing Centre. Similarly, member States that have institutions whose facilities are not fully utilized should open the services of such institutions to nationals of other member States and should undertake to provide such services free of charge;

(b) Manpower. In view of the advantages that can accrue from the training of Africans in Africa, member States should intensify their use of subregional and regional training institutions. The use of the services of such institutions could be supported by resources provided by bilateral and multilateral aid donors;

(c) Finance. Member States should intensify their use of existing clearing house arrangements, as such arrangements assist in economizing scarce foreign exchange. Similarly, it will be to the great advantage of all concerned if the practice of some countries of investing in the economies of others, i.e. intra-African investment systems, could be expanded and intensified;

(d) On-the-job training and study tours. Since the experience of one African country is likely to be relevant to the source of the problems of others in similar circumstances, African countries should provide opportunities for on-the-job training and study tours to the nationals of others. Such activities can also be supported by resources provided by bilateral and multilateral aid donors.

Recommendation 40: Creation of new arrangements and institutions

141. In view of the felt need for new institutions to: (i) undertake systematic exploration of natural resources; (ii) establish and manage heavy industries; (iii) promote the development of indigenous capability in the field of science and technology and of high-level manpower for research and development, management, administration, teaching, etc.; and (iv) rationalize the use of scarce resources; it is recommended that African countries should establish:

(a) Multinational African enterprises for the exploration and development of natural resources, e.g. the African Energy Commission ^{19/} and other institutions;

(b) Multinational African enterprises for the manufacture of machinery and equipment for agriculture, industry, energy, transport and communications, etc., based on the raw materials obtained from the region's natural resources;

(c) Higher institutions of research and training where high-level manpower can be trained and consultancy services undertaken for the benefit of member States; and

^{19/} As a result of the funds made available by UNDP, work is under way on the creation of these institutions, under the auspices of the Organization of African Unity.

(d) Higher institutes for management training and finance for the training of high-level management, financial and monetary specialists; and

(e) An all-Africa airline and all-Africa shipping line.

142. One problem with these institutions is the way in which they are to be financed. While this is a real problem, it should not be too difficult to arrange if the institutions are widely dispersed and the national currencies of member States used, supplemented by some foreign exchange from member States and supported by financial and technical assistance from bilateral and multinational donors.

V. FINANCING THE PLAN

143. Financing the Lagos Plan of Action was one of the major issues to which the Minister responsible for economic development and planning referred in their draft Plan of Action. 20/ The Ministers felt that, as regards the mobilization of financial and real resources, the cost of the total programme could be significantly reduced. This would depend on the choices of technology made and the care with which they are made, since most of the technologies in everyday use all over the world are not subject to property rights; due attention must, however, also be paid to trade-marks policy and practice. But more importantly, the Ministers felt that considerable domestic financial savings could be mobilized for reinvestment in plan projects by both conventional and new measures and that, as regards foreign exchange, there was room for savings in out payments for such services as banking, insurance, shipping, civil aviation, marketing and distribution. Moreover, they felt that account should also be taken of the transfer pricing operations of private enterprises. In all these cases, close and continual scrutiny of the invisibles in the national accounts is called for.

144. As is well known, money is the sinews of war and the Strategy and the Plan of Action reflect faithfully the socio-economic war situation in which African countries have found themselves. Money is crucial, therefore, to the implementation of the Plan and all necessary measures must be taken to mobilize the financial resources required.

Recommendation 41. Mobilization of domestic financial resources

145. In this connexion, the following steps should be taken to mobilize domestic financial resources for effective use:

(a) Critical review of company-tax policies (profit tax rates, depreciation allowances, subsidies and other financial incentives). It is now clear that tax holidays and generous depreciation allowances may not be necessary. Similarly, subsidies may sometimes lead to misuse, rather than efficient use of scarce resources;

(b) Analysis of pricing policies of enterprises, both public and private, domestic and foreign, with a view to identifying elements which may be responsible for loss of revenue;

20/ E/CN.14/781/Add.1, paragraphs 32 and 33.

(c) Review and appraisal of the activities of monetary, financial and investment institutions (banks, building societies, insurance companies, co-operatives, unit trusts, pension and provident funds, post-office savings banks, and industrial and other development corporations) with a view to identifying their loan policies with regard to real investment in production and distribution activities and promotion of the establishment of new savings institutions, particularly in the rural areas;

(d) Analysis of the investment policies of all enterprises, both domestic and foreign;

(e) Review of other tax policies (direct and indirect) and management, including the work of the inland revenue service and the customs department;

(f) Flow-of-funds analysis with a view to identifying sources of generation and users of funds.

Recommendation 42: Enlargement and preservation of foreign exchange resources

146. In view of the low level of expertise and technological development in Africa, foreign exchange is crucial for imports of skilled personnel and technology needed to make good these deficiencies, particularly in the short term before national efforts to internalize supply begin to bear fruit. It is, therefore, recommended that the following steps should be taken by member States to enlarge and preserve foreign exchange resources:

(a) Initiation and/or enlargement of trade with the OAPEC countries. While these countries are rich in oil, they could constitute an important market for the sale of food and agricultural products, including forest products;

(b) Negotiation for more direct investment by OAPEC countries in African countries;

(c) Negotiations for more grants and soft loans from OAPEC countries;

(d) Negotiation for more grants and soft loans from the OECD countries. However, in view of the authorities statement by the Chairman of the Development Assistance Committee, chances of success in this area are very slim indeed;

(e) A plea either for cancellation of intolerable debt burdens or a moratorium on debt payments;

(f) Use of barter, particularly for raw materials. This technique has been extensively used by OAPEC countries and others, and the subject calls for serious and urgent study;

(g) Renegotiation of existing agreements with foreign companies; and

(h) A serious analysis of the external transactions accounts with a view to identifying those elements of the invisibles account which may be eliminated or reduced and those products for which domestic production may be started.

Recommendation 43: Other measures for preserving foreign exchange

147. It is a well known fact that the causes of the balance-of-payments problems of African countries are to be found in the invisibles accounts, where heavy and continuing payments are made for banking, shipping, insurance and consultancy services, and in the manufactures section, where the payments are for parts and components which could easily be produced in Africa. Unfortunately, the situation has now been aggravated by increasing imports of foodstuffs.

148. As a result of an analysis of the situation, member States may need to:

(a) Establish at the national and/or multinational levels banks, insurance companies and shipping companies, and institutions for other services, such as marketing and management;

(b) Deliberately attach nationals to feasibility project teams financed from multinational or bilateral agency sources as well as by national governments;

(c) Increase opportunities for specialists to participate in courses on feasibility studies preparation run by the World Bank, etc., tailored to meet the requirements of priority sectors, and held either in Washington or, for each MULPOC, in a suitable host country;

(d) Encourage the formation of national and multinational consultancy groups and national and multinational consultancy associations;

(e) Promote at the third level of education multidisciplinary courses relating to feasibility studies;

(f) Review the present ADB course, including its impact on the demand for project design and planning consultancy services, and follow this by courses organized at the MULPOC level on an open-ended basis;

(g) Support services for the indigenous business sector to enable it to contribute effectively to the implementation of national development plans;

(h) Substitute other cereals for wheat in urban areas;

(i) Intensify the production of dairy and fish products;

(j) Establish industries for the production of equipment, instruments, parts and components at the national and multinational levels. Such industries should be managed by African multinational enterprises whose shares will be held by member States;

(k) Undertake studies on the transfer pricing operations of transnational and indigenous business enterprises;

(l) Reorient, if necessary, the lending policies and patterns of ADB, East African Development Bank and other multinational financial institutions in relation to the Lagos Plan of Action and the expected foreign exchange crisis.

VI. TRANSNATIONAL CORPORATIONS

149. The focus of the Monrovia Strategy for the Economic Development of Africa and of the Lagos Plan of Action for its implementation is self-reliant and self-sustaining development for African countries. To achieve this objective, African countries are committed to the substitution of internal factors of production and distribution for external ones. Yet, when one examines carefully African economies, one is astonished at the extent to which the technology, finance and manpower resources of transnational corporations dominate the mineral, plantation agriculture, manufacturing, banking insurance, transport and communications and even distribution sectors of such economies. This is the main reason why it has been thought necessary to devote a section, however small, to the relationship between the Lagos Plan of Action and the transnational corporations. Indeed, to achieve the long-term objectives of self-reliance, self-sustainment and sovereignty over natural resources a strategy of medium- and long-term nature to deal with the role of the transnationals is called for with a view to implementing: measures to maximize the benefits and minimize the costs of the presence of the transnationals in African economies and measures for the gradual substitution of internal factors of production for external ones.

150. It should not be forgotten that the origin of the transnationals is no more confined to the industrially developed countries of Western Europe, North America, Japan and other Asian countries and Eastern Europe. The developing countries already have their own transnationals whose corporate behaviour is likely to be just as aggressive and pragmatic as that of the enterprises from the "North" when competition in international markets and negotiations with developing countries are the issues. However, it has been claimed ^{21/} that in terms of better use of domestic labour, capital, and raw materials and positive contributions to external transactions, the developing-country transnationals are better than those from the industrially advanced countries. Such claims have got to be justified for each country and that task is one of those to be undertaken by the transnational corporations unit recommended below.

Recommendation 44: Understanding the activities of Transnational Corporations

151. In this connexion, it is recommended that, where it has not been established, member States should establish a transnational corporations unit to be based in the Central Planning Office and staffed with an interdisciplinary team of corporate lawyers, economists, engineers, financial experts, etc., to:

(a) Organize with the relevant sectoral ministries and private sector institutions, studies on the activities of existing transnational corporations with a view to understanding their role in the economy as investors, technology transferor, revenue and employment generator; supplier of high level skills for management, marketing, scientific and technological services as well as their impact on the external transactions of the country;

(b) Collect and analyse on a regular basis information on new transnationals as well as current information on the activities of existing transnationals;

(c) Prepare periodic reports on the activities of transnationals for consideration by the relevant authorities; and

(d) Study and analyse new conditions for accepting transnationals into the economy and advise the authorities accordingly.

^{21/} Peter O'Brien, The new multinationals - Developing-country firms in international markets, Futures, August 1980, pages 303-316.

Recommendation 45: Substituting internal factors of production and distribution for external ones

152. The planned development of human resources has been stressed throughout this paper as the basic means of achieving the goals and objectives of the Lagos Plan of Action and even as an end in itself. This aspect of the Lagos Plan of Action is so crucial to relations with the transnationals that action must now be taken for the purpose of training the right calibre of high-level manpower. Therefore, it is recommended, where it is not already the case, that the following actions should be taken:

(a) Organization, on a permanent basis, of courses on negotiations. It is interesting to note that even in the advanced countries of the West and the East, this is now a subject that is officially recognized as important to the extent that courses are organized either in universities or under other arrangements; it must be understood that the game cannot be played to mutual advantage if it is only one side who knows the rules;

(b) Negotiation of the process of management integration. In entering into any agreement with any transnational corporations, (i) a plan should be drawn up jointly by representatives of the government and of the transnational on what the manpower needs would be for skilled technical and professional personnel over an agreed period of years; (ii) a rough assessment be made of the availability of wholly or partly qualified employees, of those in training, and of competitive openings; and (iii) an agreed plan of steps be made by which nationals would be assisted to obtain appropriate education and training in schools, colleges, institutes, etc., and on-the-job, such that over the agreed period - with allowance for possible fall-out and failure - nationals would take on all of the technical, managerial, marketing and policy functions originally agreed. This is one of the areas that the Unit for Transnational Corporations has to monitor regularly; models of the arrangements recommended already exist in some African countries;

(c) The emphasis of the Lagos Plan of Action on the development of heavy industries - metal and chemical - is meant to accelerate the process of internationalization of the factors of production. Hence, all member States must take immediate steps to implement this aspect of the Plan. So also is the need to establish immediately programmes and projects for "growing" the right type of high-level skills based on an accurate knowledge of the natural resources base. This will require the reform of the content of existing syllabuses in some cases and the establishment of new courses particularly in science and technology, management, finance, etc., in others;

(d) More important is the need to initiate and implement action at the multi-national, subregional and regional levels in the development of the required skills. Similarly, actions are necessary particularly in the fields of monetary and financial services through the creation of investment banks, insurance and re-insurance companies, consultancy companies and shipping companies. Member States should also use the services of such regional and subregional institutions as the African Regional Centre for Technology, African Regional Centre for Engineering Design and Manufacturing, the Higher Technical Institute for Training and Research, the subregional mineral development centres as well as the cartography, survey and mapping centres, not only to upgrade the capabilities of existing staff but also to increase substantially the quantity of such staff.

VII. THE ROLE OF DONORS AND INTERNATIONAL DEVELOPMENT INSTITUTIONS,
INCLUDING ECA AND OAU

153. The Lagos Plan of Action - elements of which have been incorporated into the International Development Strategy for the Third United Nations Development Decade - is a product of the collective wisdom of the leaders and peoples of African countries and throughout this paper it has been repeatedly indicated that the major responsibility for the implementation of the Plan rests with member States. However, a great deal can be done by bilateral aid donors and international development institutions to aid member States in this task.

154. The extent to which such aid contributes substantially towards the achievement of the guiding principles, objectives and targets of the Plan will, however, depend on the steps policy-makers and planners take in the first place to introduce these principles, objectives and targets into national development plans in the light of local resources, needs and potentials, and the extent to which the implementation of the national development plan is translated into concrete requirements, time phases, etc., built around a core or motor.

155. The Plan, as has been pointed out earlier, assumes the following:

(a) Rapid building up of technical knowledge of the natural resources/raw materials base;

(b) Decisions on the product and sectoral or subsectoral composition of the core or motor designed to drive the economy forward and ensure diversification and linkages;

(c) The establishment of national capabilities for the exploration, evaluation and extraction of raw materials and for participating in intra-African trade in raw materials so as to achieve the complementarities required in general and for the development of the core in particular;

(d) The development of national capabilities (including entrepreneurial resources and support services) in general and for the core in particular;

(e) The orientation, expansion or improvement of R&D facilities and programmes and their deliberate linkage with the core;

(f) The development or improvement of institutional capabilities (e.g. finance and banking, business consultancy, especially for project design, planning and management, etc.);

(g) The design and construction of physical infrastructure for integrating domestic and multinational markets and for facilitating the complementarity of industrial raw materials and other inputs; and

(h) The transformation of domestic markets and combination of such markets into larger multinational markets to accommodate unavoidable economies of scale.

156. To the extent that aid and technical assistance are channelled to such areas of activity as those just listed and they foster the growth of the core, to that extent will member States be in a position to go a long way in pursuing the goals, objectives and philosophy of the Plan.

A. Bilateral aid donors

157. It is generally known that bilateral aid donors possess not only hard currencies but also a stock of knowledge, technical know-how, skilled manpower and institutions which can be useful to member States in their efforts to implement the Plan. In the context of the objectives of self-reliance and self-sustaining development, it is suggested that the order of aid and technical assistance should be as follows:

- (a) United grants;
- (b) Provision of experts who will transfer knowledge to African experts and of experts who will help to establish appropriate development institutions;
- (c) Provision of bursaries and places in appropriate institutions for students and trainees;
- (d) Provision of bursaries and places in factories, research and development institutes, etc. for on-the-job training; and
- (e) Construction of laboratories and supply to them of equipment free or at subsidized costs.

158. In all these, member States should be allowed to identify, analyse and design their own projects or be given assistance to do so in the framework of the goals and objectives of the Lagos Plan of Action.

B. International development institutions

159. There are a number of reasons why international development institutions can play a significant role in the implementation of the Lagos Plan of Action:

- (a) International development institutions comprise a huge collection of expertise in all areas of socio-economic development;
- (b) Such a collection of expertise embodies experience from different parts of the world;
- (c) These institutions have been created jointly by a group of member States and therefore usually enjoy the advantage of foreign exchange resources;
- (d) The institutions have multidisciplinary teams so that their activities are becoming increasingly relevant to the complex problems of development in the developing countries.

160. In the context of the foregoing, therefore, international development institutions can play the role of generator of new ideas, of adviser on technical issues and of financier. In all these, member States should be given the chance and opportunity to give direction on what they need and want to achieve. The role of international development institutions as well as that of bilateral aid donors should be mainly supportive of, and not a substitute, the efforts of member States.

C. The specific role of the secretariats of OAU and ECA

161. With respect to the Monrovia Strategy for the Economic Development of Africa, OAU, ECA and other regional and international organizations have been called upon to give all necessary assistance to member States in the formulation and implementation of plans based on its recommendations. For the Lagos Plan of Action, the Secretary-General of the Organization of African Unity has been directed to act in collaboration with the Executive Secretary of ECA to take all necessary measures to implement it by utilizing the resources of the OAU specialized agencies along with the technical and financial assistance of ECA specialized agencies and appropriate national and international organs. Thus, the secretariats of OAU and ECA in collaboration with other agencies have an important role to play in assisting member States to achieve the goals and objectives of the Plan.

162. It will be observed that the guide-lines provided in this paper are centred principally around two activities: (i) clarification of concepts and ideas; and (ii) research and planning as the basis for action. The first will enable member States to understand the nature of the Plan and to accept it as theirs, while the second will assist them in getting to grips with the situation and will sustain them as the implementation of the policies, programmes and the projects in the Plan gathers momentum. In both activities, the two secretariats can play a catalytic role.

163. Thus, assistance can be given in the organization and management of the national, subregional and regional seminars or conferences, particularly through the MULPOCs and other economic groupings under the guidance of the headquarters secretariats. Similarly, in collaboration with specialized agencies, assistance can be given in the organization and management of the sectoral and/or functional workshops. Next, as far as the studies, analysis, reviews and appraisals are concerned, the two secretariats are well placed to take the lead in organizing them. Further, since the implementation of the Plan is to be monitored at all levels and the results of the monitoring at one level fed into the next, the two secretariats are inevitably committed to playing an important role. Their role is particularly crucial in this regard since not only must reports on the review and appraisal of the progress in implementing the Plan be submitted to the MULPOC Councils of Ministers, the Conference of Ministers of ECA, the Assembly of Heads of State and Government of the Organization of African Unity but also, as a consequence of its recent resolution, 22/ to the General Assembly of the United Nations.

164. In addition to the foregoing, assistance can also be given in the field of project identification, analysis and implementation.

165. In this section, emphasis has been placed on the assistance which bilateral and multilateral aid donors can give the member States in their efforts to implement the Lagos Plan of Action. However, for any country to benefit effectively from the resources and services of these institutions, it must possess its own personnel capable of meeting the officials of the international development agencies on equal terms. Moreover, such national officials must be clear in their minds about their problems and what help they want from the agencies in solving the problems, otherwise their problems and the solutions to them will be interpreted according to the wishes of the officials of the agencies. And as the Ministers have said there is "... the possibility of the Plan slipping into the hands of others so that the region's Plan becomes their plan, its purposes and objectives,

their purposes and objectives, its agencies and instruments, their agencies and instruments, its inputs, their inputs, and the results it seeks, the results they seek". 23/

166. It is in the light of the foregoing that great emphasis has been placed on action at the national level and, as part of that action, on the development of human resources. Once that has been achieved, member States should have no difficulty in identifying the type of problems they want to solve, the external assistance they will need and when they will need it.

167. Any effective implementation of the Plan will depend very much on the retention of its central feature: the openly recognized interlinkages among the sectors and the problems to be solved within them. An old-fashioned sectoral approach to the implementation of the Plan will therefore be extremely harmful. Hence, the importance of the central and guiding role of the central planning ministry or office cannot be overemphasized.