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of Ministers

Addis Ababa, Ethiopia
1-4 May 1995

**REPORT OF SIXTEENTH MEETING OF THE TECHNICAL
PREPARATORY COMMITTEE OF THE WHOLE**

**ADDIS ABABA, ETHIOPIA
24-28 April 1995**

A. ATTENDANCE AND ORGANIZATION OF WORK

1. The sixteenth meeting of the Technical Preparatory Committee of the Whole (TEPCOW) was held at Addis Ababa, Ethiopia, from 24 to 28 April 1995. At its official opening, the meeting observed a minute of silence in tribute to the late Hedi Ghorbal, of Tunisia, Chairman of the fifteenth meeting of the Technical Preparatory Committee of the Whole who had died in a tragic car accident. The meeting was formally opened by H.E. Mr. Mekonnen Manyazewal, Vice Minister of Planning and Economic Development of the Transitional Government of Ethiopia. Mr. Makha D. Sarr, Acting Executive Secretary of the Economic Commission for Africa, also delivered a statement at the opening ceremony of the meeting. Mr. G.N. Thipe, the representative of Botswana moved a motion of appreciation on behalf of the delegates.
2. The meeting was attended by representatives of the following member States of the Commission: Algeria, Angola, Botswana, Burkina Faso, Burundi, Cameroon, Chad, the Congo, Côte d'Ivoire, Djibouti, Egypt, Equatorial Guinea, Ethiopia, Gabon, the Gambia, Ghana, Guinea, Kenya, Liberia, the Libyan Arab Jamahiriya, Madagascar, Malawi, Mali, Mauritius, Morocco, Mozambique, Namibia, the Niger, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, the Sudan, the United Republic of Tanzania, Togo, Tunisia, Uganda, Zaïre, Zambia and Zimbabwe.
3. Observers from the following Member States of the United Nations were present: China, Finland, France, Germany, Indonesia, Iran, Japan, Romania and Russian Federation.
4. The Holy See not a Member of the United Nations, was also represented by observers.
5. The following United Nations bodies and specialized agencies were represented: Food and Agriculture Organization of the United Nations (FAO), International Labour Organisation (ILO), United Nations Regional Commissions New York Office (RCNYO), International Monetary Fund (IMF), United Nations Children's Fund (UNICEF), United Nations Conference on Trade and Development (UNCTAD), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Population Fund (UNFPA), United Nations High Commissioner for Refugees (UNHCR), United Nations Industrial Development Organization (UNIDO), World Bank, World Food Programme (WFP), World Health Organization (WHO) and World Meteorological Organization (WMO).

6. The Organization of African Unity was represented.

7. Observers were present from the following Intergovernmental organizations: African Association for Public Administration and Management (AAPAM), African Centre for Applied Research and Training in Social Development (ACARTSOD), African Centre of Meteorological Applications for Development (ACMAD), African Institute for the Prevention of Crime and the Treatment of Offenders (UNAFRI), Inter-African Committee (IAC), African Regional Centre for Engineering Design and Manufacturing (ARCEDEM), African Regional Organization for Standardization (ARSO), Arab League, Common Market for Eastern and Southern Africa (COMESA), Economic Community of the Great Lakes Countries (CEPGL), Regional Centre for Training in Aerospace Surveys (RECTAS), Regional Institute for Population Studies (RIPS), Maghreb Union (MU), Institut de formation et de recherche démographiques (IFORD) and African Institute for Economic Development and Planning (IDEP).

8. The Committee elected the following officers:

Chairman:	Ethiopia
First Vice-Chairman:	Gabon
Second Vice-Chairman:	Algeria
Rapporteur:	Sierra Leone

9. The Committee established two open-ended subcommittees on resolutions and on the mid-term evaluation of the Declaration and Programme of Action for the least developed countries in the 1990s, respectively under the chairmanship of Algeria and Gabon. The following were the core members of the resolution committee:

West Africa:	Togo and Nigeria
North Africa:	Egypt and Morocco
East Africa:	Kenya and Djibouti
Southern Africa:	South Africa and Malawi
Central Africa:	Burundi and Equatorial Guinea

B. AGENDA

10. On 24 April 1995, the Committee adopted the following agenda:

Conference theme: Promoting accelerated growth and sustainable development in Africa through the building of critical capacities

1. Opening of the meeting.
2. Election of officers.
3. Adoption of the agenda and organization of work.

PART I. Perspectives of Africa's socio-economic development

4. (a) Economic and social situation in Africa, 1995;
- (b) Prospects for the implementation of the Abuja Treaty establishing the African Economic Community and other issues in regional cooperation and integration; and
- (c) Progress report on a framework agenda for building and utilizing critical capacities in Africa.

PART II. Regional cooperation for development in Africa

5. (a) Preparation and follow-up to regional and international conferences and programmes:
 - (i) Special session of OAU Ministers on Africa's economic and social questions;
 - (ii) International Conference on Population and Development;

- (iii) World Summit for Social Development;
 - (iv) Fourth World Conference on Women;
 - (v) Second United Nations Conference on Human Settlements (Habitat II);
 - (vi) Mid-term review of the implementation of the Declaration and Programme of Action for the Least Developed Countries for the 1990s;
 - (vii) Report on the implementation of the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF);
 - (viii) Progress report on the mid-term evaluation of the second United Nations Transport and Communications decade in Africa (UNTACDA II).
- (b) Trade, development finance and regional cooperation:
- Reviving private investments in Africa: Policies, strategies and programmes;
- (c) Human development:
- Human development in Africa, 1995 report;
- (d) Socio-economic empowerment of women in Africa:
- Establishment of the African bank for women: Progress report;
- (e) Poverty alleviation through sustainable development:
- Food and agricultural production, food security and food self-sufficiency in Africa.

PART III. Statutory issues

6. Issues from subsidiary organs and sectoral bodies of the Commission calling for action by the Conference of Ministers.

PART IV. Programme of work and priorities of the Commission

7. (a) Proposed organizational structure and programme of work and priorities for the biennium 1996-1997;

(b) Programme evaluation at ECA.
8. Strengthening the operational capacity of ECA: Programme of technical cooperation under the United Nations Trust Fund for African Development (UNTFAD).
9. Any other business.
10. Date and venue of the seventeenth meeting of TEPCOW.
11. Adoption of the report.
12. Closure of the meeting.

C. ACCOUNT OF PROCEEDINGS

Opening addresses

11. In his opening statement, His Excellency Mr. Mekonnen Manyazewal, Vice Minister of Planning and Economic Development of the Transitional Government of Ethiopia, welcomed participants to the meeting. He noted that although the economic performance of most African countries had improved in 1994, the overall performance of the African economy during the period 1990-1994 had continued to be below the fast

rate of growth in population. As a result, per capita income in Africa had continued to deteriorate leading to an increasing proportion of the African population living under conditions of extreme poverty.

12. He noted that there were no shortages of ideas and solutions to Africa's economic and social problems. Under the auspices of regional and international organizations, numerous strategies and plans of action for the development of Africa had been adopted over several years. He underlined that what Africa needed now was a critical enquiry into the failures of operationalizing the various strategies and plans of action needed to bring about long-term transformation of the African economy.

13. He considered the theme of the Conference most appropriate and timely. He proposed that the deliberations of the meeting should focus on measures for overcoming the constraints for the implementation of the various strategies and plans of action already adopted in the past years. He expressed the belief that much of the implementation problems were internal rather than external factors to Africa and thus should be identified and addressed to enable Africa to put its house in order and create the necessary conditions to cope with external factors.

14. He noted that lack of systematic action on building and enhancing the critical human, institutional and physical infrastructural capacities in Africa had contributed to the failure of efforts to put Africa on the path of accelerated growth and sustained development during the past decades. He observed that the inability to build the required capacities resulted from such factors as distorted economic policies, misallocation and inefficient use of resources and resource flight in the form of human and capital drain in many African countries.

15. The Minister further observed that external debt, accumulation of debt arrears, the capitalization of interest and the general hardening of lending terms constituted major constraints to the economic revival of Africa through their adverse impact on resource availability to support development programmes. Hence there was need for new initiatives and approaches in dealing with these problems.

16. In conclusion, the Minister informed the meeting that the Transitional Government of Ethiopia had taken several measures to build its human, institutional and physical capacities, with emphasis on agriculture and human capacity building. He underlined that vocational and technical training, and preventive health care would enhance human resource capacity building and realize its contribution to the important sector

of agricultural production. In addition, the government had taken a number of policy measures to create a stable macroeconomic environment which was directly related to capacity building. A legal and economic policy environment had also been put in place to realize private sector participation in development.

17. In his statement, Mr. Makha D. Sarr, Acting Executive Secretary conveyed, on behalf of the secretariat of the United Nations Economic Commission for Africa, participants at TEPCOW and on his own behalf, sincere condolences to the Government and people of Tunisia and especially to the bereaved family of the late Hedi Ghorbal, Chairman of the fifteenth meeting of TEPCOW.

18. The Acting Executive Secretary welcomed all participants to the sixteenth meeting of TEPCOW. He also expressed, on behalf of all participants, sincere thanks to His Excellency Ato Mekonnen Menyazewal for addressing the opening session of the sixteenth meeting of the Committee. He said the Minister's presence demonstrated the support of the people and Government of Ethiopia for the Commission, its secretariat as well as the entire United Nations system in Addis Ababa. He also paid tribute to Mr. Layashi Yaker, the former Executive Secretary of the Economic Commission for Africa who left the Commission two months ago, on the completion of his term of office.

19. The Acting Executive Secretary noted that since its first meeting in 1980 during which it contributed significantly to the formulation of the Lagos Plan of Action, TEPCOW had initiated many programmes and common positions. These included the United Nations Transport and Communications Decade for Africa, the United Nations Industrial Development Decade for Africa, Africa's Priority Programme for Economic Recovery which led to the United Nations Programme of Action for African Economic Recovery and Development, the African common position on environment and development, the African Common Position on population and development, the African Common position on human and social development, the African Alternative Framework for Structural Adjustment Programmes, and the Addis Ababa Action Plan for Statistical Development in Africa.

20. The Acting Executive Secretary said that the theme of the present session of the Commission: "Promoting accelerated growth and sustainable development in Africa through the building of critical capacities" was a logical follow-up to that of the last session of the Commission. He stressed that for Africa to improve the living standards of its people and occupy the position to which it aspired in international

economic relations, it must institute and develop the requisite capacities for accelerated growth and sustainable development.

21. Reviewing the economic and social situation in Africa during the past year, he observed that ECA estimates showed that the gross domestic product (GDP) for the whole continent, South Africa included, rose by 2.4 per cent in 1994, as against 0.9 per cent in 1993 and -0.3 per cent in 1992. He noted, however, that because the annual population growth rate was at about 3 per cent, average per capita incomes had continued to decline following previous trends.

22. With regard to external trade, the Acting Executive Secretary said that the fragile production structures of African countries and the instability of commodity markets did not allow for a considerable increase in exports whose value totalled only \$89.6 billion in 1994, an amount lower than the average of the three previous years of this decade. With their prices increasing more than their volume, imports amounted to \$97.8 billion in 1994, thereby worsening the current account deficit, which had reached \$10.5 billion as against \$7.8 billion in 1993 and \$6.2 billion in 1992. In 1994, Africa accounted for 2.4 per cent of world trade compared to 3 per cent in 1993. He pointed out that external debt continued to be a main constraint to development, totalling \$312.2 billion at the end of 1994. This amount represented 71.6 per cent of the region's GDP. He stressed that Africa, like other regions of the world in transition, should benefit from the more radical measures adopted on the reduction of external debt.

23. He noted that the transition towards democratic governance was expanding, though with some difficult adjustments in some areas. Progress had been made in matters of political pluralism, human rights, transparency and accountability. South Africa had cleared the hurdle of apartheid to become a multi-racial democracy. The Abuja Treaty had entered into force in May 1994 and the subregional economic communities had continued to be strengthened. He cautioned, however, that these encouraging developments should not conceal the challenges which lay ahead. For example, the most important concern was the slow pace at which economic structures in Africa were being transformed. The dual nature of African economies still persisted, with a substantial subsistence economy existing alongside a relatively narrow modern sector, generally geared towards the export of agricultural and mineral commodities.

24. The Acting Executive Secretary expounded on the various substantive issues that were on the

agenda before the Committee. He also referred to the Commission's work programme for the 1996-1997 biennium which the Committee was also to consider. The special feature of the work programme was that it would be based on the new structure of the Commission's secretariat.

25. The Acting Executive Secretary also referred to the Pledging Conference for the United Nations Trust Fund for African Development (UNTFAD) that would be held on 3 May 1995. He underlined that the Fund was of vital importance to the operational activities of the Commission. In this regard, he paid tribute to the African countries which had maintained their contributions to the Fund despite the economic difficulties they were experiencing. He also thanked the bilateral and multilateral partners who in 1994/1995 generously contributed to the Fund.

26. The representative of Botswana moved a vote of thanks on behalf of the participants. He thanked H. E. Mr. Mekonnen Manyazewal for his statement which had provided constructive and useful ideas for the agenda of the meeting, as well as acquainting participants with the efforts of the Transitional Government of Ethiopia towards capacity building for sustainable development.

27. He expressed gratitude to the President of the Transitional Government of Ethiopia, H. E. Mr. Meles Zenawi and to the Government and people of Ethiopia, for the hospitality and courtesies accorded to the participants. He also thanked the Acting Executive Secretary for his statement and the secretariat of the Commission for the quality of the documents which had been prepared in good time for the meeting of the Committee.

28. The representative of Tunisia whose country was chairman of the fifteenth meeting of the Technical Preparatory Committee of the Whole, recalled that in endorsing the preliminary report on the "Framework programme for the building and the use of critical capacities in Africa" in 1994, the ECA Conference of Ministers had expressed the need for a process of consultations, analyses and decision-making on critical areas such as the safeguard, promotion, rational and optimal use of the continent's human, natural and institutional capacities.

29. He deplored particularly the fact that a large number of African countries lived in abject poverty; that 60 per cent of African children were either not educated or dropped out of the school system at an early

age and that 14,000 African children died each day due to malnutrition, diseases, epidemics and other scourges. It was also regrettable to observe that human resources so much needed for the advancement of Africa were steadily being squandered in wars which deprived the region of the stability required for growth and development. In this connection, he emphasized that peace should be considered as a prerequisite to all development efforts.

30. He called upon member States to rapidly and effectively find ways and means to implement the various strategic development programmes adopted by the Commission. He stressed that the assistance of the international community should only supplement the efforts made by the African States themselves. He wished the Committee every success in its deliberations.

PART I

PERSPECTIVES OF AFRICA'S SOCIO-ECONOMIC DEVELOPMENT

Economic and social situation in Africa, 1995 [agenda item 4(a)]

31. Under this agenda item, the Committee considered document E/ECA/CM.21/3 entitled "Report on the Economic and Social Situation in Africa, 1995". In assessing the economic performance of Africa in 1994 and the prospects for 1995, the Committee noted that the 2.4 per cent growth achieved in 1994 came to confirm the modest recovery which had begun in 1993 without, however, showing any tangible signs that the recession which had set in as far back as 1990 was going to be reversed. Despite a mean annual GDP growth rate of 1.4 per cent over the period 1990-1994, per capita income had decreased by 1.6 per cent on average over the same period as a result of the particularly rapid pace of population growth. The persistence of Africa's economic crisis had been reflected in the spread of poverty both in the rural and urban areas with the result that the social fabric continued to be eroded.

32. The Committee noted the disparities in economic performance among the subregions and countries as well as the fact that an increasing number of countries had achieved growth rates far exceeding the regional average. Central Africa was the only subregion to record a negative GDP growth rate which went from -5.0 per cent in 1993 to -5.4 per cent in 1994. North Africa had recorded a 4 per cent growth rate which was particularly high when compared to the two preceding years. The countries of Eastern and

Southern Africa had slowly emerged from the drought which hit them in 1992 with respective growth rates of 1.6 and 0.4 per cent in 1994 as compared to the negative rates recorded in 1993. Although they achieved the highest annual mean growth rate in Africa for the period 1990-1993, the performance of the countries of the West African subregion had declined by 1.9 percentage points in 1994 as compared to the 4.0 per cent growth of 1993.

33. The Committee noted that a number of factors combined with the structural weaknesses in African economies had continued to affect overall economic performance adversely and with varying degrees among the subregions, countries and even production sectors. While climatic conditions and natural disasters had had decisive influences on the level of agricultural output and cash crop farming in certain subregions, internal armed conflicts, social turmoil accompanying political transition, difficulties in pursuing economic reform, the incoherence of certain economic policy shifts, declining international support for Africa's development efforts, the debt burden and the unfavourable international economic environment continued to weigh heavily on many national economies in Africa. The main handicap, however, was the inability of these economies to transform radically the production structures inherited from colonization in such a manner as would enable them to cope with the exigencies of sustainable and self-sustaining development and promote the transition to a modern industrial and technological society.

34. The Committee was concerned by the decline of Africa's agricultural output whose 2.1 per cent growth rate in 1994 had been 1.6 percentage points less than the figure for 1993. Overall, some countries had experienced vicissitudes of weather which had had disastrous effects on their crops. The poor rainfall of the third quarter of 1993 had continued into the first quarter of 1994 in Central, Eastern and Southern Africa. For that reason, about 10 countries facing a food deficit throughout the first half of 1994 had resorted to food imports and international assistance. With regard to cash crops, the producer price incentives instituted in certain groups of countries had yet to be reflected in significant quantitative output despite a slight recovery in the coffee and cocoa commodity markets.

35. The Committee noted that, once more, the performance of mining industries had been affected by unfavourable conditions in the major producing countries and the trends of world market prices. Mining output had been steadily declining since 1992 partly because of the crisis some major producing countries were undergoing and partly because of the lack of capital reinvestment. Even South Africa which happened

to be the major producer of the region had recorded a 5.5 per cent decline in its mining output in 1994. The level of petroleum production in 1994 remained similar to that of 1993. Such stagnation had to do with the constraints imposed under world output regulation mechanisms and/or the saturation of the production capacity of certain countries. Mineral and mineral ore prices had rallied while those of oil products such as Brent crude had fallen by an average of 7.0 per cent.

36. The Committee found the growth pattern of the external sector disturbing, Particularly as Africa was facing new challenges arising from the liberalization of world trade with the entry into force of the Uruguay Round agreements. Africa's trade with the rest of the world continued to be dominated by the export of primary commodities and the import of manufactures. In real terms (at 1990 prices) export revenue had increased by 4.0 per cent in 1994, reflecting a 2.6 per cent gain in purchasing power as compared to the 4.8 per cent loss in 1993. The value of imports had grown by 6.5 per cent. The diversification programmes launched by many governments as one of their main development strategies did not seem to be fully yielding the expected results because of the persistence of such impediments as restrictive business practices and the unfavourable impact of structural adjustment programmes on diversification schemes.

37. The Committee noted that Africa's debt burden had grown heavier to an estimated amount of \$312.2 billion. Though the rate at which the debt had grown was much slower than that of other developing regions, it was the heaviest and most constraining factor from the development finance point of view. The stock of debt inexorably tended to absorb GDP by way of the capitalization of payment arrears while any appropriations made from the meagre export earnings deprived economic operators of essential foreign exchange to import equipment and spare parts. The little impact that the international strategy for debt treatment had had on Africa's debt crisis called for rethinking debt relief measures in such a way as to take into account the specific nature of the financial crisis in Africa.

38. The persistent deterioration of social indicators was disquieting. Population pressure in Africa was imposing limits on the rational management of resource and worsening environmental degradation. It was creating social problems in terms of housing, sanitation, health, education and placing unbearable pressure on existing and ageing urban facilities. The degree to which the countries addressed these problems would depend on the resources committed within the context of social policies pursued in harmony with overall development objectives.

39. The Committee observed that in 1995, the economic prospects of Africa would once again be determined by the international environment and the pattern of the domestic developments. In domestic terms, the settlement of conflicts and the dissipation of tensions resulting from the protracted and unsteady process of democratization should make it possible to consolidate political stability on the continent.

40. Nevertheless, the output of certain sectors of activity would continue to depend on climatic conditions. Should the unfavourable climatic conditions recorded in some countries of the Maghreb, Southern Africa and the Horn of Africa persist, agricultural output would grow only modestly, by about 2.7 per cent. Externally, the projected rallying of coffee and cocoa prices as well as the rise in metal and mineral prices should boost export earnings and investment recovery. Under these assumptions, regional GDP could increase by 3.0 per cent in 1995.

41. The Committee noted that the report had put well-deserved emphasis on social issues this year. This was a welcomed departure from the past, when the focus was almost exclusively on economic issues. However, the Committee observed that some other important issues had either been omitted or given insufficient treatment in the report. For example, issues of social justice, popular participation, gender equality, the aged, the disabled and the plight of orphans due to AIDS were not analyzed. The report should also have highlighted the fact that although new influxes of refugees continue, a significant number of refugees returned home to their countries of origin in 1994. Action needs to be taken to facilitate their rehabilitation and reintegration. It was explained that many of these issues would be dealt with in great details in the Annual Economic and Social Survey of Africa which will be released after the Conference. The present report was an abridged version of the Survey.

42. The Committee also noted with interest the emphasis the report had given to the question of diversification of African economies. Diversification is as an essential element in making African economies competitive. The Committee observed that improving Africa's competitiveness in the world economy would benefit from improved standards and quality control for its products. It was, therefore important that African institutions working on these issues be supported.

43. Some representatives pointed out certain inaccuracies in the data provided in the report. These related, for example, to the data relating to their countries on budget deficits; economic growth rate - which

in one case was attributed to differences in exchange rate used; growth rate of manufacturing value added, and commodities. Some of the delegates indicated that they would provide the secretariat with correct and more recent data as it concerned their countries.

44. The Committee took note of the report in the light of the above observations.

Prospects for the Implementation of the Abuja Treaty establishing the African Economic Community and other issues in regional cooperation and integration [agenda item 4(b)]

45. Under this agenda item, the Committee considered document E/ECA/CM.21/4 entitled "Implementation of the Abuja Treaty establishing the African Economic Community: Progress Made and Prospects."

46. The Committee noted that the document formed part of the ongoing reflection regarding previous proposals submitted to TEPCOW in previous years on the Implementation of the Abuja Treaty establishing the African Economic Community. The Committee took note of the various activities that the joint OAU/ECA/ADB secretariat had carried out in the implementation of the Treaty. The Committee also noted that the Treaty had entered into force on 12 May 1994 and had been ratified, to date, by 36 member States of the Commission, and that several draft and preliminary draft protocols were either being considered by the Permanent Steering Committee of OAU or were about to be submitted to it for consideration. This was particularly the case of the draft protocol on health which would be considered by African Ministers of Health. In this regard, several sectoral studies had been conducted in the various subregions on infrastructural development, production and trade liberalization.

47. Regarding the harmonization and rationalization of subregional economic integration institutions, the secretariat observed that in contrast with past approaches that advocated the immediate merger of certain institutions and the abolition of others (which had proved unrealistic), the report presented to this session of TEPCOW recommended a graduated approach. This new approach would entail physical integration and the integration of production systems - which were the same objectives sought in previous approaches to the issue.

48. As regards rationalization of ECA-sponsored institutions, the secretariat made a report on the situation. The secretariat requested member States to make their position known regarding the proposals that had been circulated to them previously. To date, only seven countries had responded. The secretariat urged those countries which had not yet done so to state their position in writing to the Committee of Ten which would hold its meeting on Thursday, 27 May 1995.

49. The Committee noted that the establishment of rules of origin of products to be traded within the regional communities should be compatible with member States requirements, particularly with regard to the criteria for equity shares participation as between nationals and foreigners. Some countries had eliminated the clause on equity participation which stipulated that nationals should hold majority shares in business enterprises located in their countries. This was designed to attract foreign investments. The Committee noted that since 1986, PTA (now COMESA) had abolished the requirement of majority shareholding by nationals as a criterion for determining the origin of products. Instead the emphasis was now placed on local value added to products. The Committee also took note of the proposal that a simplified and standardized certificate of origin should be made available and that both the rules of origin and the customs nomenclatures should be unified.

50. The Committee noted the importance of an efficient and equitable compensation system to the success of economic integration process. For the African subregional groupings, a compensation rate of 60 per cent would seem to address this concern so long as the funds generated were channelled into investment projects as a way of improving the production systems of recipient countries. Obviously, for any integration scheme to succeed, other complementary measures would have to be taken. Such measures would include the adoption of a common external tariff which would ensure selective and effective protection, the simplification of indirect domestic taxation (particularly through the adoption of a value added tax which would eventually reduce and abolish the cumulative effects of certain taxation systems) as well as the establishment of a pricing system which would work in the mutual interest of economic operators and consumers and not impair the competitiveness of products which formed the subject of intra-community trade.

51. Regarding the problematic issue of financing integration in Africa, the Committee noted the urgent need to establish mechanisms for the mobilization of domestic funds. The experience of certain subregions

had shown that such resources would need to be mobilized by way of taxation on as wide a base as feasible, using for example, a levy on imports from third countries. The rate of the levy would be set on the basis of financial requirements and the magnitude of the tax base. In any event, the prospects for integration in Africa would depend on the resources that member States were prepared to commit since external resources would only come to complement the efforts made by Africans themselves. In this regard, the Committee noted the proposal that the resources for integration purpose should be financed partly from equal assessments of member States and partly from a GDP-prorated assessment of member States. This was essential to avoid the trap of dependency on and the unpredictability of foreign funding for regional integration programmes. To do so, the Committee requested the Joint OAU/ECA/ADB Secretariat, the subregional communities and African States to give the required priority to the harmonization and rationalization of subregional groupings and the mobilization of resources necessary for the financing of the integration process.

52. The Committee expressed concern at the slow pace of integration in Africa. It, therefore, urged member States to commit themselves to an accelerated pace of integration. In order to speed up the implementation of the Treaty, the Committee felt that the Joint OAU/ECA/ADB Secretariat should mount a campaign to publicize the Treaty among the various segments of society, most particularly among economic operators in the private sector who should be interested in the success of the project. The Committee underlined the need to support the strengthening of all subregional integration groupings and for national legislation to be harmonized with the provisions of the Abuja Treaty. At the same time, it was important that each African country supports the subregional economic community to which it belongs and also ratifies the Treaty. The Permanent Steering Committee of OAU should, in the view of the Committee, speed up its consideration of the various protocols so that they could enter into force as soon as possible.

53. The Committee welcomed recent efforts to involve the subregional economic communities in the discussion of African socio-economic development issues at such fora as the international conference on the impact of the Final Act of the Uruguay Round on African economies and the recent Extraordinary Session of the OAU Council of Ministers on the Economic and Social Situation of Africa. The Committee suggested that the subregional economic communities should be further involved in subsequent discussions related to the Abuja Treaty, in particular, the various protocols.

54. Given the fact that a protocol on the Solidarity, Development and Compensation Fund was being drafted, the Committee only took note of the highly relevant arrangements for compensation advanced in the document under consideration since their final adoption would take place only when the related protocol had been duly discussed and approved by the competent bodies.

55. The Committee took note of the proposals contained in the document and adopted draft resolution 6(XVI).

Progress report on a framework agenda for building and utilizing critical capacities in Africa [agenda item 4(c)]

56. Under this agenda item, Committee considered document E/ECA/CM.21/5 entitled, "Progress Report on a Framework Agenda for Building and Utilizing Critical Capacities in Africa". This report was welcomed unanimously by members who considered it pertinent to their countries' development concerns. The Committee considered the building of critical capacities, where they do not exist, strengthening those which exist, and fully utilizing them, to be of crucial importance if Africa is to be fully integrated into the highly competitive global economic system ushered in the Final Act of the Uruguay Round.

57. The Committee noted that the theme of the Sixteenth meeting of the Technical Preparatory Committee of the Whole and the Twenty-first meeting of the Conference of Ministers was building and utilizing critical capacities in Africa, which had also been the theme of last year's Conference of Ministers. It reaffirmed that the missing link to sustained economic growth and development in the African countries is systematic action on building, strengthening and efficiently utilizing critical capacities. The Committee renewed its endorsement of the concept of a broad Framework Agenda whose objective should be to concentrate efforts and to focus strategies, at the national, subregional, continental and international levels, towards the task and objectives of capacity building.

58. It was noted that, for operational purposes, the previous Conference of Ministers had identified eight capacity-building priority areas, notably : institutional support of good governance, human rights, political stability, peace and security; effective socio-economic policy analysis and management; human resources; entrepreneurship in the public and private sectors; physical infrastructures; exploitation of natural resources

and diversification of African economies into processing and manufacturing; sustainable food and agricultural production; and mobilization and efficient allocation of financial resources. The Framework Agenda would propose a regional programme of action whose elements would be the policy measures and activities in each of the priority areas. This programme of action, however, would have to be sufficiently flexible to be implementable by individual member States within the context of their own order of capacity-building priorities. In this regard, the Committee took note of the specific preferences expressed by member States, but also noted that the eight priority areas in the Framework Agenda were not ranked in any order, leaving this up to individual States. This Agenda would propose concrete measures for monitoring the implementation of the programme of action at the regional level.

59. The Committee noted that the document under discussion was only an interim report on the progress made in implementing resolution 771 (XXIX) of the previous Conference of Ministers which had mandated the secretariat, *inter alia*, to carry out further studies to strengthen the Framework Agenda and to propose modalities for the mobilization of resources in support of the programme of action. In this regard, a number of short-term actions had been taken in fulfilment of the resolution. Notably, study missions had been carried out in Ghana (policy-analytic capacities); Mauritius (human resources development); Morocco (physical infrastructures); Nigeria (entrepreneurship); and Zimbabwe (food and agriculture, and natural resources and industry). However, missions were yet to be carried out in two priority areas -- institutions for good governance, and financial resource mobilization and allocation.

60. It was noted that the criterion for selecting the countries for study missions had been the insights and experiences which could be transferred to other African countries in specific areas of capacity building. However, it was felt that more countries should have been included in the sample of countries visited. To this end, country case studies were expected to provide answers to a number of questions. These included: what policy measures and activities were being implemented in the human, institutional and infrastructural dimensions of capacity building in a specific priority area; how relations between the government and the private sector had evolved; what channels of communication between the two had been put in place to enhance their collaboration in the promotion of accelerated and sustainable development; what measures were being implemented to improve the policy environment; to what extent markets were involved in setting prices and distortions had been eliminated; what measures were under way to improve efficiency, productivity and international competitiveness, etc.?

61. The Committee noted that the guiding principles which will underline the proposed programme of action are, inter alia, a hospitable political and social environment; a conducive macro- and micro-economic policy environment; the need to re-define the role and responsibilities of the government vis à vis those of the people, their institutions, and the private sector; regional economic cooperation and integration; the imperative of environmental sustainability; the need to consciously take into account the gender dimension in capacity building; the objective of reducing poverty by targeting the disadvantaged socio-economic constituencies; and the need to boost the mobilization of financial resources from domestic and external sources and improve their allocation to competing areas of capacity building. Innovative approaches were called for to mobilize resources and to fully involve local communities in building capacities in their own localities. Kenya indicated that it was prepared to share its experience in resource mobilization with other African countries. It was also imperative to identify existing capacities and to put them to full use before rushing to create new capacities. Each of the priority areas would be underpinned by these principles.

62. It was noted that the programme of action for capacity building, which would consist of policy measures and activities implemented at national, subregional, and continental levels, would need to be underpinned by a programme of technical cooperation. Such a programme would involve Africa's external bilateral partners, agencies and programmes of the United Nations system including the Bretton Woods institutions, other multilateral organizations, and external non-governmental organizations involved in Africa's development. It was therefore necessary to base the Framework Agenda on a broad consensus and partnership among all those expected to play a significant role in its implementation at all levels. In this light, the Committee considered the proposed time-frame for the finalization of the Framework Agenda. This requires in-house seminars at the secretariat to be initiated by the end of June 1995; an inter-agency meeting to review the draft Agenda by July; a meeting of an ad-hoc group of African and non-African experts by early September; circulation of the draft document to the member States by October, for their observations, comments and proposals for further improvement; finalization in December 1995, and official launching of the Framework Agenda in January 1996. The Committee observed that while the proposed time-frame was useful in motivating the secretariat to speed up the completion of the Framework Agenda, nonetheless, it may prove over-optimistic.

63. It also underscored the importance of regional cooperation in different priority areas of capacity building, such as in building expertise in economic and social development planning and management,

human resources development through training, project execution, and in science and technology including information and telematics. In this regard, the Committee noted that the Arab Republic of Egypt had established an Information and Decision-support Centre which was committed to putting Africa on the "Information super-highway" and which had expertise in informatics, debt management, socio-economic database management and its application to policy-making. Centres of excellence such as this one would play a pivotal role in the sharing of experiences among African countries through training, and in pooling resources for capacity building. Another approach noted by the Committee in this regard was the establishment of networks linking national capacity-building institutions, for instance, policy institutes which are being established at national level with initial support from the Harare-based African Capacity-Building Foundation (ACBF). The Committee endorsed the proposal to establish "think-tanks" at the national, subregional and continental levels, which would address Africa's development problems and advise on policies. Noting that the ILO had assisted some African countries to set up employment networks, the Committee observed that similar networks could be set up, first at national level, then at subregional and continental levels, in the capacity-building priority areas.

64. The Committee also stressed the human capacity-building dimension of institution building in the area of national development management. It was noted that under-motivation, poor remuneration often below the cost of living, inadequate incentives and, sometimes, late pay, all create poor attitude to work, indiscipline, divided attention to duty as public sector employees seek supplementary sources of income, high rate of staff turn-over and the brain drain. The result was poor personnel productivity, poor socio-economic management, and concomitant loss of international competitiveness. It was noted that while highly trained Africans were either under-utilized or migrating to Europe and America, over 10,000 foreign technical experts annually were employed in African countries at an estimated cost of US\$ 4 billion. In this regard, the Committee urged that much more use should be made of indigenous experts and consultants in bilateral and multilateral programmes of technical cooperation. Increased utilization of African indigenous expertise is essential if critical human skills are to be developed in Africa by learning through doing, and if capacity-building programmes are to be truly owned by African countries; and there is urgent need to address the issues of personnel motivation if such capacities are not to be eroded. The Committee recommended that this problem should be given full attention in the Framework Agenda.

65. With regard to human resources development, the Committee emphasized the importance of

ensuring a high quality of education, geared to equipping school leavers with skills for self-reliance and economic productivity even after acquiring basic education. In view of the fact that the number of engineers, scientists and technicians is an important indicator of the level of economic development through industrialization, the Committee underscored the need for African countries to promote education and training in these areas. Industrial transformation, however, also required efficient infrastructures, such as energy, telecommunications and transport. In this regard, the Committee was of the opinion that, in the Framework Agenda, capacity building for science and technology should either be elevated to a separate priority area in its own right or it should be given more prominent treatment in the eight identified priority areas. Stress was also placed on the need for African countries to promote the development of their private sectors. In this regard, the Committee took note of the past and on-going work of ILO and UNIDO in promoting entrepreneurship and industrial development in African countries.

66. The Committee welcomed the offer by UNIDO to collaborate with UNECA secretariat towards the finalization of the Framework Agenda particularly in the areas related to capacity building notably, human capacities, entrepreneurship, industrial development, food and agricultural production, and financial resource mobilization. It is expected all relevant agencies and organizations of the United Nations system to provide material support to ECA in the finalization of the Agenda. It also took note of the proposal by UNCTAD that a draft of the Agenda could be used by the African LDCs as part of their input at the meeting of the High-Level Inter-governmental Group on Least Developed Countries in New York in September/October 1995.

67. The Committee observed that there was a need to separately address the issues involved in capacity building to boost food and agricultural production and capacity building for rural development, where the latter is broader and encompasses agriculture, rural industry and entrepreneurship.

68. Note was taken of the special needs of the countries which are emerging from years of internecline conflicts which had totally destroyed their essential capacities. As they struggle to restore peace and stability, the task facing such countries was how to rebuild capacities in all the priority areas identified for inclusion in the Framework Agenda. Problems are primarily faced in mobilizing the massive amounts of resources that are required. Of necessity, such countries have to depend heavily on other African countries and external partners, in view of the total economic dislocation brought about by destructive conflicts. Noting that the Framework Agenda would provide an essential blue-print for the capacity rehabilitation of

the African countries emerging from conflicts, the Committee, therefore, observed that the Agenda should address the special needs of these countries, with a view to being useful as a reference point in their negotiations with external partners and donors involved in their reconstruction. The Committee also observed that human capacity building offered a new hope to the millions of Africans displaced for long periods of time by conflicts in their homelands, and that this would contribute immensely to reconstruction after the restoration of peace.

69. The Committee welcomed the move of the African Ministerial Conference on the Environment (AMCEN) in adopting new policy orientation for environment and development in Africa, which laid strong emphasis on critical capacity building for environmental management in order to achieve sustainable development in the region, within the framework of agenda 21. This required a revitalization of existing structures at the level of member States and within the United Nations system to respond to the demands of promoting environmental awareness in programme implementation. The priority areas for critical capacity building were identified to include environmental economics, accounting and management tools; environmental law, institutions and policies; environmental education and training; and environmental awareness as well as public information. The Committee further noted the efforts of the Joint AMCEN secretariat composed of UNEP, ECA and the OAU in providing the necessary support for the implementation of these programmes.

70. The Committee urged that the Framework Agenda should be linked to all the existing important initiatives for the development of Africa, such as the Cairo Agenda for Action for relaunching Africa's economic and social development as well as the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF). In this regard, it was noted that the Cairo Agenda, which addresses the issue of how African countries can increase their reliance on their own resources, provides the necessary political framework, while the Framework Agenda addresses the technical and policy issues of capacity building. The Committee also recommended that the Framework Agenda be launched in the context of the United Nations at Fifty which will be observed at the end of this year, 1995.

71. The Committee took note of the progress report and adopted draft resolution 7(XVI).

PART II
REGIONAL COOPERATION FOR DEVELOPMENT IN AFRICA

Preparation and follow-up to regional and international conferences and programmes [agenda item 5(a)]

72. Under this agenda item, the Committee considered document E/ECA/CM.21/6 Parts I and II and Addendum I entitled "Preparations for and follow-up to International Conferences and Programmes which was the background document to agenda items 5(a) (i) to (viii).

73. Special session of OAU Ministers on Africa's economic and social questions [agenda item 5(a)(i)]: under this agenda item, the secretariat gave an account of the Seventeenth Extraordinary Session of the Council of Ministers of the OAU held in Cairo on 27-28 March 1995, and, at the request of a delegation, the Cairo Agenda for Action, which was adopted at the session, was distributed. It was indicated that the Cairo Agenda for Action will be submitted to the next Summit of OAU Heads of State and Government for adoption.

74. International Conference on Population and development (ICPD) [agenda item 5(a)(ii)]: under this agenda item, the Committee noted that the Cairo Programme of Action adopted at the ICPD (1994) had reflected the issues addressed by the Dakar/Ngor Declaration on Population, Family and Sustainable Development adopted at the third African Population Conference (1992). The Committee stressed that the challenge to member States was the implementation of the follow-up actions specified by the two development frameworks.

75. The Committee recalled that the third African Population Conference had established a Follow-up Committee for the implementation of the Dakar/Ngor Declaration. The Follow-up Committee, at its first meeting held in Addis Ababa in March 1994 had directed that two Workshops of Experts and NGOs, be organized to deliberate on the implementation of the recommendations of the Declaration. Preparations were underway by the Joint ECA/OAU/ADB Secretariat to hold the Workshops during the second week in June 1995 at the African Development Bank (Abidjan). The recommendations of the workshops would subsequently be transmitted to the member States. The Committee noted that the second session of the Follow-up Committee was scheduled to be held in early 1996.

76. The Committee also noted that the United Nations General Assembly had adopted the ICPD Programme of Action and revitalized the Population Commission to monitor the implementation of the programme. The Committee further noted that the Secretary General of ICPD had established an Inter-Agency Task Force to coordinate the implementation of the ICPD Programme of Action.

77. World Summit for Social Development [agenda item 5(a)(iii)]: under this agenda item, the Committee observed that the main objectives of the World Summit for Social Development which was held in March 1995 were to set goals and formulate policies and priority measures to address the concerns of countries in the field of social development. It also noted that the Summit had adopted a declaration and a programme of action containing a number of commitments.

78. Among those commitments made by the Heads of State and Government at the Social Summit in Copenhagen, Denmark, were:

- (a) The creation of an enabling economic, political, social, cultural and legal environment for the achievement of social development;
- (b) The eradication of poverty;
- (c) The development of human resources in Africa and in the Least Developed Countries;
- (d) The expansion of productive employment and livelihood;
- (e) The promotion of social integration, national cohesion, political peace and stability; and
- (f) The mobilization of resources for achieving the programme of action.

79. The Committee noted the measures recommended by the Summit, especially those concerning debt alleviation particularly in the Least Developed Countries. It noted with satisfaction the spirit of solidarity and understanding within the African Group at all stages of the preparation as well as during the Summit. It also appreciated ECA's support for the African member States.

80. The Committee noted with satisfaction that the African Common Position had a strong influence on the Summit, notably with regard to debt forgiveness and poverty alleviation. The Committee observed that some countries had already started to implement the programme adopted in Copenhagen and urged that national action plans should be developed as soon as possible, where these have not yet been developed.

81. The Committee also noted the commitments of several United Nations specialized agencies and organizations to assist African countries in their efforts to achieve their goals, particularly in areas of employment, and health. It recognized the difficulties encountered in obtaining data in the employment sector and appealed to member States and their development partners to pay particular attention to social development in resource allocation.

82. The Committee also stressed the importance of setting up follow-up mechanisms. It was recalled that follow-up mechanisms at the national level should include all the sectors of civil society, and that the Conference of African Ministers responsible for Human Development together with the Follow-up Committee of Fifteen should constitute follow-up mechanisms at the regional level. The Committee expressed the hope that ECA would ensure the follow-up of this programme, while taking into account the need to protect the cultural values of the continent. The Committee urged the joint ECA/OAU/ADB Secretariat to collaborate with United Nations specialized agencies and other partners to translate the action programme into specific projects.

83. Fourth World Conference on Women [agenda item 5(a)(iv)]: under this agenda item, the Committee noted that pursuant to the United Nations Commission on the Status of Women resolution 36/8 on the preparations for the Fourth World Conference on Women, the Africa Regional Conference on Women had been held in Dakar, Senegal, from 16 to 23 November 1994. Prior to that Conference, a series of consultations had been held at both subregional and regional levels. Also, an NGO forum had been held from 13 to 15 November 1994. The Committee took note of the African Platform for Action and the African Common Position on the Advancement of Women in Africa which was adopted by the Dakar Conference.

84. The Committee took note of the efforts made by United Nations agencies in preparation for the Fourth World Conference on Women and underlined the need for effective African participation at the Beijing Conference.

85. Second United Nations Conference on Human Settlements (Habitat II) [agenda item 5(a)(v)]: under this agenda item, the Committee considered progress made in the preparation of the Second United Nations Conference on Human Settlements (Habitat II).

86. The Committee took note of the African common position which was adopted by the Extraordinary Meeting of African Ministers responsible for Human Settlements in the African region held in Nairobi, Kenya on 30 March 1994. The Committee also took note of the preparatory work for Habitat II and urged ECA to coordinate and facilitate regional activities, serve as a liaison centre and finally enable member States with limited institutional and financial resources to effectively participate in the preparatory process and the conference.

87. Mid-term review of the implementation of the Paris Declaration and Programme of Action for the Least Developed Countries for the 1990s [agenda item 5(a)(vi)]: under this agenda item, the Committee noted the progress made by African Least Developed Countries (LDCs) in the implementation of the Paris Declaration and Programme of Action. It also noted that a high-level intergovernmental meeting will conduct a mid-term review of the implementation of the declaration and programme of action for the Least Developed Countries in New York, from 26 September to 6 October 1995. The Committee decided to entrust a sub-committee of TEPCOW with the task of formulating an African common position to be submitted at the New York meeting. The sub-committee which was open to the participation of all countries, had a core group consisting of Benin, Burkina Faso, Ethiopia, Madagascar, Malawi, the Niger, Rwanda, the Sudan, Uganda and Zambia.

88. Implementation of the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF) [agenda item 5(a)(vii)]: under this agenda item, the Committee noted that UN-NADAF was adopted by the General Assembly in December 1991 as a framework for full partnership between Africa and the international community. The Committee further noted that the main conclusions of this report had been submitted to the twenty-ninth session of the Commission (Doc.E/ECA/CM.20/3). The Committee underscored the importance of the United Nations System as Africa's full partner in the implementation of UN-NADAF, and noted that the United Nations System had undertaken to strengthen its coordination and harmonization role both within the framework of the United Nations Inter-Agency Task Force (UN-IATF) and the Administrative Committee on Coordination (ACC).

89. Mid-term evaluation of the Second United Nations Transport and Communications Decade In Africa (UNTACDA II) [agenda item 5(a)(viii)]: under this item, the Committee observed that the Programme of UNTACDA II had been implemented since 1991, with the long-term aim of establishing an efficient integrated transport and communications system as a basis for the physical integration of Africa, so as to facilitate traffic movement, foster trade and enable the achievement of self-sustained economic development as envisaged in the Abuja Treaty establishing the African Economic Community. The Committee noted that the evaluation of the programme of the second United Nations Transport and Communications Decade showed unsatisfactory results due mainly to the low priority given by member States to the projects approved under the programme. Furthermore, it seems that the national committees did not function adequately due to lack of coordination between the officials of transport and communications and those of other ministries in the member States.

90. The Committee noted that the major observations and conclusions of the mid-term review of UNTACDA II made the ministers concerned put forward the following major recommendations :

- (a) The UNTACDA II programme should be focused on regional and subregional activities taking into account their specificity in terms of physical integration;
- (b) UNTACDA II should be fully internalized at all levels according to availability or identified resources;
- (c) Activities within UNTACDA II should be scaled down to realistic levels;
- (d) Efforts be concentrated only on the most important activities of common benefit to most countries;
- (e) Greater reliance be placed on the pooling of internal resources for programme implementation; and
- (f) An appeal should be made to the United Nations General Assembly to supplement ECA regular budget resources for the implementation of UNTACDA II activities.

91. The Committee urged member States to endorse the resolution approved by the African Ministers of Transport and Communications which sought additional resources from the regular budget to implement UNTACDA II activities and to ratify the agreement on the Trans African Highway Bureau.

92. The Committee took note of document E/ECA/CM.21/6 in the light of the above observations and adopted draft resolution 8(XVI) and the special memorandum on the mid-term global review of the implementation of the Programme of Action for Least Developed Countries for the 1990s.

Trade, development finance and regional cooperation [agenda item 5(b)]

93. The Committee considered document E/ECA/CM.21/7 entitled "Reviving Private Investment in Africa: Policies, Strategies and Programmes". The Committee emphasized the importance of investment in promoting economic growth and employment. It therefore called for practical measures to be undertaken to promote both domestic and foreign direct investment.

94. The Committee observed that improving the investment climate in Africa would invariably require the right macroeconomic policy frameworks to provide the public sector with a proper role of: defining and implementing proper incentive packages; tackling the problems of domestic and external debt and its impact on investment flows to Africa; optimizing on rates of investment; increasing public investment towards human development and infrastructure; building reliability through political stability, predictable sets of rules and regulations and continuity in the supply of foreign exchange for imported inputs and transfers; enhancing financial intermediation; enlarging markets in order to take advantage of economies of scale, including promotion of regionalism in Africa; and trying to improve the world's perception of Africa by minimizing factors which contribute to the negative image of the continent. The Committee noted that member States had already adopted most of the measures which were essential to creating "an enabling environment" for the promotion of both domestic and foreign direct investment.

95. The Committee noted that while foreign direct investment flows in other regions of the world had increased significantly in recent years, Africa had not been a major beneficiary. Portfolio capital flows to Africa were virtually absent and private direct investment modest. The Committee therefore urged African countries to put in place the necessary measures that would promote investment, in particular to ensure

political stability, which is a pre-condition for domestic and foreign direct investment.

96. The Committee took note of the information provided to it concerning an International Conference/Forum on "Reviving Private Investment in Africa: Challenges and Opportunities", to be held in Accra, Ghana from 7 to 10 November, 1995 under the auspices of four African Heads of State and Government. The Forum would be organized by the UNECA, in collaboration with the United Nations Development Programme (UNDP), United Nations Industrial Development Organization (UNIDO), the United Nations Conference on Trade and Development (UNCTAD), the Centre for Development of Industry (CDI), the World Bank, the African Development Bank (ADB), the Organization of African Unity (OAU) the Africa Business Round Table, the European Union (EU), the Islamic Development Bank (IDB), the Global Coalition for Africa (GCA), and other agencies. The Forum was intended to bring together African government officials, African private sectors, United Nations agencies, foreign governments and private investors, scholars and academicians of international business to exchange views and ideas on how to revive private investments in Africa. The "African Capital Markets Forum" was also expected to be officially launched during the Conference as an avenue for promoting the development and cooperation of capital markets in Africa.

97. The Committee also took note of information concerning the Private Sector Forum of the United Nations Industrial Development Organization (UNIDO) to be organized in collaboration with the United Nations Development Programme (UNDP) and the UNECA during the forthcoming Conference of African Ministers of Industry to be held in Gaborone, Botswana in June 1995.

98. The Committee took note of the progress made by various countries in promoting private investment including: adoption of macroeconomic stabilization programmes in order to provide an enabling environment; revisions in investment codes, creation of investment promotion offices, establishment of export processing zones, financial sector reforms, creation of "One-Stop" investment offices for processing private sector investments, and implementation of privatization programmes. Some participants cited examples of the shift that had occurred in their countries from "centrally-planned economies" to "market-oriented ones." In this connection, the Committee urged member States to provide the ECA Secretariat with updated information on their private investment policies and strategies.

99. The Committee emphasized the importance of implementing the recommendations made by the

secretariat in trying to revive both domestic and foreign direct investment in Africa. On the impact of devaluations on African countries, the Committee called on the Secretariat to undertake an analysis of the impact of the last devaluation of the CFA Franc on the economies of the Zone, including that on their debt stocks and debt service payments.

100. While acknowledging the comprehensiveness of the document under consideration, the Committee requested the secretariat to enrich it by including other factors that constituted obstacles and/or constraints to investment in Africa, in particular: the need for land reforms in many African countries; the role of privatization programmes in the development of the private sector and problems relating to implementation of such programmes in Africa; the importance of domestic investment in promoting the private sector; the issue of internal debt and its impact on Africa's development process; and the role South-South cooperation could play in the development of the private sector in Africa.

101. The Committee took note of the report in the light of the above observations and adopted draft resolution 9(XVI).

Human Development in Africa, 1995 Report [agenda item 5(c)]

102. The Committee considered the document entitled " Human Development in Africa, 1995 Report" (E/ECA/CM.21/8) which covered a host of issues ranging from the concept and measurements of human development, the state of human development in Africa, the goals of the African child, health and basic education for all in Africa by the year 2000 and the challenges and prospects ahead.

103. The Committee observed that the report was the first of what would constitute a series of reports to appear biennially and dealing specifically with the issues related to human development in the continent. The Committee noted that the objectives of the current report was to inform policy makers, academics, international community and those involved in the development task about human situation in Africa with a view to galvanizing them into action. The Committee further noted that the document aspired to devote special attention to an examination of policies and strategies of human development with a view to helping evolve a uniquely African perspective that would draw on global experience but also rooted in African realities.

104. The Committee noted that the concept of human development although perceived to be straightforward, its measurement was a complicated task. The measurement encompassed people's choices in every sphere of life. It was also noted that Africa had contributed significantly to the crystallization of human development concept and measurement through a series of publications, such as the Lagos Plan of Action (LPA), African Charter on Popular Participation in Development, the Khartoum Declaration on Human Centred Development and the African Alternative Framework to Structural Adjustment Programmes (AAF-SAP).

105. In considering the importance of human development as the centre of the development process, the Committee underscored the importance of the well being of both the children and women as key issues that needed to be tackled simultaneously since the fate of children was inseparable from that of mothers. In regard to the issues related to health and education, the Committee noted the need to restore or improve the quality of basic services such as basic health care and education and, underscored the need to focus on and address the gender gaps in terms of service access, and social, economic and political status that remain particularly wide in Africa.

106. The Committee observed that while a series of human development reports had been planned to appear biennially, consideration should be given to making it an annual publication. If necessary ECA should seek financial resources to achieve this objective. The Committee also noted that other agencies should take part in the future preparation of the report with a view to covering a range of issues related to human development situation in the continent.

107. Finally, the Committee underscored the importance of monitoring the human situation in Africa on a continuous basis so as to keep track of both advances and setbacks. Although this would be a very difficult task due to very unreliable, consistent and up-date statistics, African Governments would have to take the responsibility to set-up, develop and refine on a continuous basis databases on their social situations in their respective countries. It was noted that the document presented was a first tentative effort to stimulate action in that direction.

108. The Committee took note of the report and the proposals contained therein and adopted resolution 10(XVI).

Establishment of an african bank for women: Interim report [agenda item 5(d)]

109. Under this agenda item, the Committee considered document E/ECA/CM.21/9 entitled: "Economic empowerment of women: Interim report on an African bank for women and Promotion of Women Entrepreneurship".

110. The Committee noted the efforts made by ECA to strengthen the economic empowerment of African women, in particular the convening of a meeting of experts on the practical modalities for establishing an African bank for women. The Committee noted that the experts had recommended the establishment of a regional institution called "Africa Women's Bank", with affiliates at the national level in which women would hold majority shares. Capital would be mobilized within the region to ensure the viability of the Institution.

111. The Committee noted that the establishment of such a bank had gained prominence in nearly all African countries. Countries such as Nigeria, Uganda and Kenya where interested promoters had already pledged an investment of \$US 125,000 in capital. The Committee further noted the selection criteria for hosting the bank's headquarters and Uganda's bid to host the apex regional body.

112. The Committee reviewed the practical modalities for the establishment and management of such a bank; the technical aspects of setting it up; the bank's capital formation; the need to involve governments in the bank; and promotional campaign for the proposed project. The Committee stressed the need to consider rural women as main target groups in the context of this bank and that efforts should be geared toward their effective integration into the process. While underlining the importance of the proposed bank, the Committee felt that the feasibility study had not made an in-depth analysis of why the existing banks have failed to meet the financial needs of women and deemed it necessary to base the establishment of this bank on a study which would ascertain its impact on the advancement of the African women in general, and on the advancement of "target" African women who really need assistance, in particular.

113. The Committee underlined the importance of drawing from African and non-African experiences, including relevant studies conducted by some international organizations, in the area of women's

accessibility to credit. The experiences of Grameen Bank of Bangladesh, Egypt and UNDP-UNIDO initiatives in Guinea were cited as examples of banks which had succeeded in meeting women's needs at the grassroots level in the rural areas. The Committee noted the suggestion to lower the price of one unit of shares which had been proposed at \$US 10. It was felt that at the prevailing exchange rates in many African countries of the proposed price of unit share was too high.

114. Noting that the economic situation of member countries had changed since the initiative to establish a bank for women was first proposed, the Committee recommended that the orientation of the proposed bank and its viability should be re-examined. Indeed, some members felt that the proposed bank should operate as a development bank channelling credit to those in need, rather than as a commercial bank.

115. Consequently, the Committee requested ECA to conduct a new study which would spell out the legal aspects, the bank structure and capital, taking into account the requirements of women economic operators. It requested the delegations which so desired, to send their observations on this issue to the secretariat. The Committee further requested ECA to organize a workshop of experts in charge of financing and banking institutions to examine the findings of a more comprehensive feasibility study and make recommendations which would be considered in the final study. These recommendations would enable the next Conference of Ministers to decide on the establishment of an African bank for women.

116. With regard to the promotion of women entrepreneurship, the Committee recognized that women played a significant role in the economies of their countries and stressed the need to provide full support to women entrepreneurs especially rural women who are more disadvantaged in access to credit and yet they produce 60 per cent of food in Africa. The Committee noted that the All-African and North American Women's Show and Exhibition of exportable products and services would be held in Accra, Ghana, in June/July 1996. It encouraged all countries to participate in this event designed to promote investment opportunities for African women's enterprises.

117. The Committee took note of the report in the light of its deliberations.

Poverty alleviation through sustainable development: [agenda Item 5 (e)]

118. Under this agenda, the Committee considered document E/ECA/CM.21/10 entitled: "Food and agricultural production, food security and food self-sufficiency in Africa".

119. The Committee noted that food security was a major goal in African socio-economic development. It further stressed the need for African countries to accord priority to agriculture which remains the dominant sector in their economy.

120. The Committee regretted that hunger and poverty were on the increase in the continent. This situation was essentially related to a number of fundamental causes, such as inappropriate policies pursued by African countries, lack of technological innovation, institutional weaknesses and lack of basic physical infrastructures. Other factors which also contributed to the food crisis were, high population growth rates, environmental degradation, drought, other unfavourable climatic conditions, and desertification, political instabilities, war and civil disturbances.

121. The Committee recognized that the improvement in food security would entail effective and appropriate mix of policies in several key areas, including:

(a) The promotion of local food production, processing and marketing in a manner which would encourage self-reliance within the region;

(b) The improvement of availability and effectiveness of agricultural inputs, delivery systems as well as putting in place effective credit programmes in order to enable producers to improve productivity of both land and labour;

(c) The design and implementation of marketing policies that would improve the market effectiveness and efficiency, the terms of trade in favour of agriculture, while allowing flexibility to take into account the international environment; and

(d) The promotion at all levels of greater participation and involvement of the local population

in decision making processes in capacity building and marketing of their products.

122. The Committee further emphasized the urgent need for land reforms to enable potential farmers to acquire long-term land ownership, for increased water development and irrigation management systems, for crop diversification, and for storage facilities at farm level to reduce post-harvest losses. The Committee further emphasized the need for research and training in priority fields and better climatic and early warning systems in order to increase food productivity, drive production cost down, and more essentially, promote diversification through better market information systems.

123. The Committee urged for cooperation in food production and marketing at subregional and regional levels. It was recognized that it would be very difficult for each state, taken individually to achieve food security. Regional integration was seen as one of the long-term solutions, more especially when it came to specialization and sharing of expenses.

124. Noting that many inputs in food and agricultural production came mainly from industry, the Committee emphasized the need to promote strong linkages between the agricultural and industrial sectors of member States. At the same, efforts should be made to enhance the quality of food production and processing without which African food and agricultural exports will not compete effectively in world markets. The challenge of the Uruguay Round Agreements for African countries was to increase their agricultural and non-agricultural exports.

125. The Committee noted that in recognition of the important role water plays in food and agriculture production, food security and food self-sufficiency, the ECA and WMO organized an International Conference on Water Resources: Policy and Assessment. The objective of the Conference was to prepare a Strategy for water resources assessment within the context of integrated and comprehensive development and management of water resources for socio-economic development on a sustainable basis. The Strategy recommended to the member States, United Nations, African regional and subregional organizations, External Support Agencies, actions in the areas of management capacity building, promotion and creation of awareness of the capacity of the hydrological services and value of hydrological data, regional and subregional initiatives and responses, and, a new role for External Support Agencies. The Committee proposed that a resolution on this subject of water resources development and management be submitted

to the Committee for its consideration.

126. The Committee took note of the reports in the light of the observations made and adopted resolution 11(XVI).

PART III

STATUTORY ISSUES

Issues from the subsidiary organs, sectoral bodies and governing boards of ECA-sponsored institutions calling for action by the Conference of Ministers [agenda item 6]

127. The Committee considered documents E/ECA/CM.21/11 and E/ECA/CM.21/11/Add.1 entitled "Issues from the subsidiary organs, sectoral bodies and governing boards of ECA-sponsored Institutions calling for action by the Conference of Ministers". This document contained resolutions, recommendations and decisions adopted by the subsidiary organs that had held meetings since the last meeting of the Conference in May, 1994 and were being brought to the attention of the Commission for consideration and adoption or information.

128. The following subsidiary organs had held meetings since the last meeting of the Conference: the Intergovernmental Committees of Experts of the Commission's five MULPOCs; the Conference of African Ministers of Transport and Communications; the Africa Regional Coordinating Committee for the Integration of Women in Development (ARCC); and the Governing Board of the United Nations African Institute for the Prevention of Crime and Treatment of Offenders (UNAFRI).

129. The Committee referred the resolutions that were recommended for adoption by the Conference of Ministers emanating from these meetings, to the subcommittee on resolutions it had established, except the resolution on the establishment of a regional ECA office for East Africa which had been proposed by the Gisenyi-based MULPOC. The Committee observed that all member States of the East African subregion had not been consulted on this proposed office. It, therefore, recommended that the resolution be withdrawn.

130. In considering the decisions of the Governing Board of UNAFRI regarding the financial situation of

the Institute, the proposed change in the composition of the Board and the rotation of its chairmanship, the Committee urged member States to establish mechanisms for making timely remittances to UNAFRI including the payment of arrears within a reasonable time, and urged governments which had not yet acceded to the Statutes of the Institute to do so. The Committee also appealed to the Administrator of the United Nations Development Programme to renew UNDP's financial support to the Institute. The Committee further agreed that the chairmanship of UNAFRI would henceforth be held by member States of the UNAFRI Governing Board on a rotational basis. The Committee endorsed the changes in the Institute as recommended by the Board. The Committee further recommended that, in line with the decision taken regarding the chairmanship of UNAFRI, the same decision would apply to other ECA-sponsored institutions, in which case the chairmanship would be held by member States of their Governing Boards on a rotational basis.

131. The Committee took note of the document and adopted draft resolutions 1(XVI), 2(XVI), 3(XVI), 4(XVI) and 5(XVI).

PART IV

PROGRAMME OF WORK AND PRIORITIES OF THE COMMISSION

Proposed organizational structure and programme of work and priorities for the biennium 1996-1997

[agenda item 7 (a)]

132. Under this agenda item, the Committee considered the new organizational chart of the secretariat of the Commission and document E/ECA/CM.21/12 entitled "Programme of work and priorities for the biennium 1996-1997".

133. The Acting Executive Secretary explained that the new organizational structure had been the subject of protracted reflection by ECA's management and the relevant authorities at United Nations Headquarters. The structure had now been approved and would soon be effected along with the necessary redeployment of personnel. The Chart was put before the Committee for information. It complemented the reorganization of the programme structure and the intergovernmental machinery of the Commission that had been carried out previously as part of the ongoing reform of the structure, procedures and processes of the Commission

to make it a more effective instrument for assisting member States tackle their socio-economic development problems.

134. The proposed programme of work and priorities of the Commission for the biennium 1996-1997 as contained in document E/ECA/CM.21/12 was based on the new organizational structure and the related resource distribution. The Committee took note of the substantive thrust of the proposed programme of work whose underlying objective was to consolidate the Commission's efforts to assist member States to build critical capacities for development. Through the various activities proposed in the nine substantive subprogrammes, the proposed work programme also aimed at addressing such emergent cross-cutting issues as the challenge of privatization and enterprise development; managing reconstruction and rehabilitation; cyclical drought, food security and agricultural sustainability; and making Africa more competitive in the new international economic order.

135. The Committee also noted that the objectives of the programme would be pursued through a mix of services including analytical research, policy advice, and technical assistance including direct advisory services to member States, conferences, seminars and group training as well as field projects.

136. The Committee observed that the proposed programme did not pay adequate attention to conflict resolution and urged the secretariat to work more closely with OAU on this aspect.

137. The Committee noted the improvements in the presentation of the work programme including the efforts made at achieving internal consistency among programmed outputs and the increased use of evaluation results in programme formulation and implementation. It urged the secretariat to expand and update its evaluation methods in line with current developments in the field of evaluation. It expressed doubt as to the effectiveness of entrusting the activities of particular subprogrammes to several organizational units as was intended in the new organizational structure.

138. Several delegations questioned the implied redistribution of the MULPOCs (subregional offices) in the proposed programme of work. They sought clarification as to the membership and resource implications of the proposed redistribution. It was explained that no decision had been made on the redistribution of the MULPOCs. The resources and activities proposed under each of the MULPOCs would remain as per

the existing distribution. Meanwhile, the secretariat would consult member States and prepare a report on the desirability and possibilities of a rationalization of the distribution and membership of the MULPOCs for consideration by the Conference at its next meeting.

139. The Committee regretted the time constraint under which it had to discuss the 1996-1997 work programme and requested that in future, this type of document be sent to member States for review and comments in due time. It further urged that the agenda of the meetings should be shorter so as to allow for more in-depth studies to be prepared in good time for the meetings.

140. The Committee suggested that the theme for the annual meeting of the Conference should be set by the Conference at its meeting in the previous year. This would help guide the work of the secretariat and ensure proper preparations for the annual meetings.

141. The Committee also proposed that there should be enhanced communication between the Conference and the African Group at the General Assembly and its main committees and principal organs such as CPC and ECOSOC. This was deemed important to ensure continuity in Africa's positions on major issues.

142. The Committee endorsed the programme of work and priorities for the biennium 1996-1997 and took note of the new organizational structure in the light of the above observations. It also adopted draft resolution 12(XVI).

Programme evaluation at ECA [agenda item 7 (b)]

143. Under this agenda item, the Committee considered document E/ECA/CM.21/13 entitled: "Progress report on programme evaluation in ECA".

144. At its previous meeting in 1994, the Committee had considered self-evaluation reports on the following subprogrammes: marine affairs (non-living resources); least developed, land-locked and island developing countries; environment and development; trade, development and cooperation; natural resources

and energy, including new and renewable sources of energy. The Committee had also considered reports on the in-depth evaluation of the Development issues and policies programme, including the MULPOCs and the Pan African Development Information System (PADIS), and Programme 45: Africa's critical situation recovery and development.

145. The Committee took note of the progress made in the implementation of the various recommendations on each of the above-mentioned evaluations. It urged the secretariat to make every effort to ensure that the recommendations were fully implemented.

146. The Committee took note of the document in the light of the observations made above.

Strengthening the operational capacity of ECA's programme of technical cooperation under UNTFAD

[agenda item 8]

147. Under this agenda item, the Committee considered document E/ECA/CM.21/14 entitled "Pledging Conference for the United Nations Trust Fund for African Development (UNTFAD)".

148. The Committee noted the importance of UNTFAD, whose objective was to mobilize resources from African States and their development partners, through voluntary pledges needed to implement operational activities of ECA not financed under the regular budget of the United Nations. The Committee noted that \$US 12 million had been pledged since the establishment of UNTFAD, out of which \$US 10.5 million had been actually disbursed. The Committee also noted the projects financed from UNTFAD resources over the 1994-1995 biennium.

149. The Committee noted with concern that since 1987 the number of pledging countries and organizations as well as the value of pledges had been constantly declining. At the same time, arrears of unpaid pledges have grown.

150. Given these problems and the economic and financial situation of African member States, the following proposals for revitalizing UNTFAD were submitted to the Committee for consideration:

- (a) That a larger number of African countries and development partners should pledge to the Fund;
- (b) That arrears of contributions as well as new pledges be paid into the Fund as a matter of utmost urgency;
- (c) That member States having financial difficulties might propose to the ECA secretariat a permanent schedule for the settlement of arrears or their outright cancellation;
- (d) That African member States should commit themselves to appropriating about one per cent of their national budget for payment into the Fund; and
- (e) That ECA pledging conferences held every other year be merged with the United Nations Pledging Conference held every year in New York. This would increase the number of pledging countries and organizations and give ECA the opportunity of having a pledging conference each year.

151. While recognizing the financial difficulties that confront some African States, the Committee, nonetheless, urged that countries honour their pledges and recommended that those countries in arrears pay up. Member States having difficulties in paying their arrears were encouraged to negotiate with the ECA secretariat the phased payment of the arrears. The Committee felt that the proposals to allocate a certain percentage of member States' budgets and national IPFs to UNTFAD could only be considered on a voluntary basis.

152. The Committee took note that the next UNTFAD Pledging Conference would be held on 3 May 1995 and requested member States to participate actively in that Conference.

153. The Committee congratulated Mr. Ali B. Tall, Chief, Technical Assistance, Coordination and Operations Office, of ECA on his election by the United Nations General Assembly as a member of the United Nations Joint Inspection Unit. The Committee moved a vote of thanks for his 19 years of dedicated service to ECA. In reply, Mr. Tall expressed to the Committee his appreciation for the honour of serving the Commission and the entire continent.

154. The Committee took note of the report and requested the ECA secretariat to update the annex to the document by showing the current status of member State contributions. It adopted draft resolution 13(XVI).

Any other business [agenda item 9]

155. Under this agenda item, a delegation commented on the poor state of facilities in the Conference Hall, in particular the Conference interpretation equipment. The Acting Executive Secretary assured the Committee that efforts were being made to improve the functioning of the equipment at Africa Hall. He looked forward to the opening of the new Conference Centre early next year when state-of-the-art facilities would be at the disposal of delegations.

Date and venue of the seventeenth meeting of the Technical Preparatory Committee of the Whole
[agenda item 10]

156. The Committee noted that the practice has been for the meetings of the Conference of Ministers to be held at the headquarters of the Commission in Addis Ababa, Ethiopia and in alternate years in the capital of a member State upon request. With the prospective opening of the new Conference Centre early next year, it was proposed that the next meeting of the Conference be held at the Commission's headquarters.

Adoption of the report [agenda item 11]

157. Under this agenda item, the Chairmen of the subcommittees on resolutions and on the mid-term evaluation of the Declaration and Programme of Action for the Least Developed Countries (LDCs) in 1990s¹ made presentations on the work of their respective subcommittees.

158. The Committee took note of the presentations. It then adopted the present report and the draft resolutions as well as the draft special memorandum from the Conference of Ministers on the mid-term global review of the implementation of the Programme of Action for the Least Developed Countries for the

¹ The report of the subcommittee on the mid-term evaluation of the Declaration and Programme of Action for the Least Developed countries in the 1990s is contained in Annex II.

1990's as contained in annexes I and II respectively.

159. In considering the draft resolutions proposed for adoption by the Conference, the Committee decided that, in view of the importance of food security in the region as a whole, an additional resolution on food security in Africa should be drafted and submitted directly to the Conference for its consideration.

Closure of meeting [agenda item 12]

160. Just before the meeting was closed, the Acting Executive Secretary drew the attention of the Committee to a note that had been circulated on the rationalization and harmonization of ECA-sponsored institutions. The note indicated, among other things that the Ad Hoc Committee of 10 member States could not convene on two successive occasions for lack of a quorum, to consider the comments on the ECA study on the rationalization of the institutions (document E/ECA/CM.20/21) that had been received from a limited number of countries. The Acting Executive Secretary invited the Conference to take a decision on the issue.

161. In his closing remarks, the Acting Executive Secretary thanked the delegates and observers for their contribution. He was particularly impressed by the depth and seriousness of the deliberations of the Committee. The secretariat, he said, was most encouraged by the pertinence of the recommendations and the outcome of the meeting generally. He expressed gratitude to the Bureau and to the substantive and technical staff who helped make the meeting a success.

162. The Chairman of the Committee, in turn, thanked his colleagues in the Bureau and all the representatives for their collaboration. He also thanked the Acting Executive Secretary and the entire secretariat for their support.

163. He then declared the meeting closed.

Annex I

DRAFT RESOLUTIONS

**A. RESOLUTIONS FROM SUBSIDIARY ORGANS
OF THE COMMISSION RECOMMENDED FOR ADOPTION
BY THE ECA CONFERENCE OF MINISTERS**

1(XVI). African Platform for Action: African common position for the advancement of women

The Conference of Ministers,

Recalling resolution 792 (XXIX) on "An integrated approach to women's empowerment: The Kampala Action Plan on Women and Peace; violation of women's human rights; and women's economic empowerment", adopted by the ECA Conference of Ministers at its twentieth meeting,

Recalling the Tunis Declaration at the thirtieth Assembly of Heads of State and Government of the Organization of African Unity held in June 1994 on Population and Development, which gave its support to the African Regional Conference on Women,

Further recalling the fifth African Regional Conference on Women which was held in Dakar, Senegal from 16 to 23 November 1994, and which adopted the African Platform for Action: African Common Position for the Advancement of Women,

Noting with satisfaction the Declaration in the African Platform for Action which, inter alia, reaffirmed the commitment of African Governments to the realization of the Nairobi Forward-looking Strategies for the promotion and advancement of women through accelerated action for equality, development and peace,

Taking into account that operative paragraph 4 of the Declaration upholds the African Platform for Action as the outcome of a regional country-based review of the progress of the implementation of the Nairobi Forward-looking Strategies, and broad consultations at national, subregional and regional levels, with inputs from grass-roots communities, and all sections of the African population,

1. Adopts the African Platform for Action as a renewed commitment by African Governments and as a blueprint to further accelerate the implementation of the Nairobi Forward-looking Strategies;

2. Calls upon the Assembly of Heads of State and Government of the Organization of African Unity, at its next meeting, to adopt the African Platform for Action by according it the necessary political support;

3. Urges member States to give full support to the implementation of the provisions of the African Platform for Action;

4. Requests the subregional economic communities to contribute to sensitizing the member countries in their subregion and to coordinate their efforts as well as that of their development partners for the implementation of the Platform.

2(XVI). Resource mobilization for the implementation of the African Platform for Action

The Conference of Ministers,

Recalling the Nairobi Forward-looking Strategies for the Advancement of Women, approved by the United Nations General Assembly in resolution 40/108 of 13 December 1985,

Further recalling resolutions 35/4 of 8 March 1991 and 36/8 of 20 March 1992 adopted by the Commission on the Status of Women regarding the preparations for the fourth World Conference on Women,

Taking into account the outcome of the fifth African Regional Conference on Women held in Dakar, Senegal, from 16 to 23 November 1994, in which the Conference adopted the African Platform for Action: African Common Position for the Advancement of Women,

Further taking into account the resolution of the fifth African Regional Conference on Women on the "Implementation of the African Platform for Action" which stresses the need for all actors and partners in development, in particular, governments, intergovernmental bodies, development financing institutions, multilateral organizations, United Nations agencies, non-governmental organizations and women's and youth organizations, to work together for the implementation of the African Platform for Action,

Noting with concern the low degree to which such global and regional frameworks as the Nairobi Forward-looking Strategies and the Abuja Declaration have been implemented,

Considering the importance of continuous monitoring of the implementation rate of the African Platform for Action by all development partners in the interest of accelerating the advancement of women and the achievement of sustainable development and transformation,

Aware that over the last several years, the continent has been experiencing a critical financial situation which has hindered the implementation of various development strategies and programmes especially those regarding the advancement of women,

Further aware of the serious financial difficulties facing African States, which may prevent African women from participating effectively in the fourth World Conference on Women,

1. Notes with satisfaction the efforts made by the African Centre for Women both in the drafting of the Platform for Action and in preparations for Africa's participation in the fourth World Conference on Women;

2. Urges member States to make adequate financial appropriations in their national budgets, giving priority to women in development programmes within the framework of debt conversion, for implementing the African Platform for Action;

3. Calls upon member States to strengthen their national institutions for the advancement of women and support the efforts of the private sector and non-governmental organizations in the implementation of the African Platform for Action;

4. Calls upon member States and the secretariat of the Economic Commission for Africa to enhance the operational capacity of the African Centre for Women to enable it to attain the goals of the African Platform for Action;

5. Requests the Joint Economic Commission for Africa/Organization of African Unity/African Development Bank Secretariat to mobilize financial resources for the implementation of the African Platform for Action;

6. Urgently appeals to the regional financial institutions, business associations and other regional institutions to contribute technically and financially to the implementation of the African Platform for Action;

7. Further requests all of Africa's development partners to assist African countries financially and technically, for their effective participation in the fourth World Conference on Women.

8. Calls upon the international community and financial institutions to contribute financially to the implementation of the African Platform for Action in accordance with paragraph 126 (c) contained in the Platform.

3(XVI). Implementation of phase II of the programme for the second United Nations Transport and Communications Decade in Africa (UNTACDA II)¹

The Conference of Ministers,

Recalling Conference of African Ministers of Transport, Communications and Planning resolution ECA/UNTACDA/Res.91/84 of February 1991 by which it adopted the programme for the second United Nations Transport and Communications Decade in Africa, 1991-2000 (UNTACDA II),

Referring to United Nations General Assembly resolution 46/456 of 20 December 1991 launching the implementation of the Decade programme and decision 48/455 of 21 December 1993 on additional resources for the second United Nations Transport and Communications Decade in Africa,

Recalling also Conference of African Ministers of Transport, Communications and Planning resolution ECA/UNTACDA/Res.93/89 of 13 March 1993 on implementation of the programme of UNTACDA II work programme,

Having considered the mid-term evaluation of the Decade and the action programme derived therefrom,

Reaffirming the continued relevance and critical importance of UNTACDA II, especially towards achieving the goals of the Abuja Treaty (1991) establishing the African Economic Community,

Noting with concern in particular the low level of programme implementation due to the lack of resources,

1. Urges member States to make every effort to implement the Decade programme by undertaking, inter alia, the following specific activities:

(a) Facilitating and encouraging national coordinating committee activities by providing them with the necessary human and financial resources to enable them to accomplish their assigned tasks;

(b) According priority to national projects which contribute to the achievement of Decade objectives;

(c) Coordinating and strengthening national efforts in fund-raising so as to be able to access regional IPFs from such sources as the Lomé Convention for the implementation of the Decade programme;

¹ The programme budget implications of this resolution are attached as an appendix to the present resolution.

(d) Taking into account the environmental impact of all transport and communications development projects;

2. Recalls that new projects to be proposed for inclusion in the Decade programme should conform to the principles and the criteria already adopted and be submitted to the executing agencies, specifying, among other things:

- (a) The time-frame for implementation;
- (b) Resource requirements, availability and prospective sources; and
- (c) The description and assignment of tasks among the various partners;

3. Invites member States and intergovernmental organizations to involve the subregional and subsectoral working groups in the design of regional action programmes concerning transport and communications and provide them with every assistance necessary for participating effectively in the implementation of the UNTACDA II programme;

4. Requests intergovernmental organizations to take active part in the UNTACDA II programme by carrying out in their regular work programme activities listed in the UNTACDA II programme with priority given to those that make for regional integration;

5. Requests the United Nations Development Programme to increase the level of its support to UNTACDA II by funding part of the regional action programme for the implementation of the second phase of the UNTACDA II programme;

6. Invites all donors to contribute further to the implementation of the programme approved by the tenth meeting of the Conference of African Ministers of Transport and Communications;

7. Further requests the United Nations General Assembly to provide additional resources within the regular budget of the Economic Commission for Africa to enable it to pursue the major activities of the Decade action programme within its regular budget;

8. Further requests the African, Caribbean and Pacific "Coordinating" Ministers of the European Development Fund to give the appropriate priority to the Decade projects and programmes in the preparation of their national and regional indicative programmes under the second financial protocol of the Lomé IV Convention;

9. Further calls upon the development banks and participating financial institutions to continue to work with the UNTACDA II programme machinery to provide coordinated and efficient support to the development of transport and communications in Africa;

10. Finally appeals to the World Bank to maintain a high level of involvement in and contribution to the implementation of the UNTACDA II programme;

11. Especially requests African financial institutions to provide further support to the UNTACDA II programme, particularly by taking systematically into account the guidelines and priorities of the Decade in the preparation of the action plans for African countries;

12. Requests the Executive Secretary of the Economic Commission for Africa to:

(a) Disseminate systematically among all UNTACDA II partners information on the implementation of the Decade through workshops, seminars, symposia, other fora and information bulletins;

(b) Play a far more active role in coordinating the UNTACDA II programme and strengthen its own capacity to provide the necessary technical back-stopping in support of programme implementation;

(c) Ensure that future evaluations of the implementation of UNTACDA II are based on a critical analysis of the degree to which Decade objectives have been achieved;

(d) Prepare a consolidated report on the status of implementation of all UNTACDA II projects using reports drafted by member States and intergovernmental organizations on the situation with regard to the status of their projects;

13. Further requests the subsectoral working groups to initiate such regional action as would provide a framework for intervention by those countries which plan to commercialize or privatize their transport and communications sector;

14. Decides that the Resource Mobilization Committee shall henceforth be known as the UNTACDA II Advisory Committee on Programme Promotion and adopts its term of reference as laid down in the report of the tenth meeting of the Conference of African Ministers of Transport and Communications;

15. Also requests the UNTACDA II Advisory Committee on Programme Promotion to lay emphasis on assistance to member countries in seeking, arranging and mobilizing funds for projects approved under the UNTACDA II programme;

16. Appeals to all financial institutions that are members of the Advisory Committee to play a more active role in the efforts geared to supporting the Committee's mission by providing it with the required technical expertise;

17. Requests the subsectoral groups to assist in the evaluation of projects falling within their areas of competence, coordination and integration of the Africa regional work programme of the United Nations specialized agencies with those of UNTACDA II.

Appendix

**PROGRAMME BUDGET IMPLICATIONS OF RESOLUTION ON
SECOND UNITED NATIONS TRANSPORT AND COMMUNICATIONS DECADE IN AFRICA**

1. The transport and communications component of the infrastructure and structural development subprogramme will focus on the expansion and efficient utilization of infrastructure essential for economic growth and transformation, with special emphasis on assisting member States in implementing the programme of the second United Nations Transport and Communications Decade in Africa. An important feature of the activities will be active support and encouragement for increased private sector involvement in the development of transport and communication infrastructures and for the development of the human and technological capacity necessary to operate and maintain the economic infrastructure.
2. With reference to recommendation 14 of the mid-term evaluation of UNTACDA II and in compliance with operative paragraph 6(b) of the resolution, both urging ECA to play a more active leadership role, ECA intends to galvanize private sector involvement in the Decade activities through the organization of the major regional conference on the modalities and conducive environment under which privatization and commercialization of transport and communications services can take place in Africa.
3. Efficient transport and communications services constitute the principal physical integrative element of the African continent and remains the major concern of all African member States as evidenced in the transport and communications protocol of the Treaty establishing the African Economic Community (AEC). To enable the regional conference to achieve the maximum possible impact, it shall immediately precede the Assembly of OAU Heads of State and Government planned for mid-1997 and its outcome shall be considered by the Heads of State and Government to give it the highest political endorsement.
4. The regional conference shall therefore be designed for high-level African decision/policy makers at the ministerial level or thereabouts and shall be organized in collaboration with ADB and OAU in keeping with the spirit of the Joint ECA/ADB/OAU Secretariat of the African Economic Community.
5. Unless this regional conference is held during the 1996-1997 biennium, efforts at privatization and commercialization of transport and communications services in Africa would be unduly delayed with negative effects on attempts to improve these services in Africa.
6. For the period 1995-1997, below is a detailed description of the issues and concerns to be addressed by ECA under the provisions of this resolution. It should be pointed out that major elements of the activities which follow are over and above those that are contained in the 1996-1997 biennium work programme of subprogramme 8: Infrastructure and structural development.

7. In operative paragraph 7 of the present resolution, the United Nations General Assembly has been requested to provide ECA with the necessary regular budget resources to enable it to fulfil the objectives listed in paragraph 6(a) to (d), namely:

(a) Systematically disseminate information on all aspects of UNTACDA II - particularly its implementation - to all partners of the programme through workshops, seminars, symposia and information bulletins or newsletters;

(b) Play a more active role in coordinating the UNTACDA II programme by first strengthening its own capacity to be able to provide the necessary technical backstopping and support at all levels to the programme implementation;

(c) Ensure that the second mid-term evaluation of the programme in 1997 includes a critical analysis of the extent to which the Decade objectives have been achieved; and

(d) Prepare a consolidated report on the status of all the UNTACDA II projects on the basis of reports and information provided by member States and intergovernmental organizations on the progress made in the implementation of the national and subregional projects, respectively.

Administrative and reporting implications

8. None.

Reinforcement of current legislative mandate

9. The transport and communications subsectors have been accorded high priority in all recent development efforts in Africa. All major programmes of action for Africa's development have recognized the importance of transport and communications development in Africa. Resolutions ECA/UNTACDA/Res.89/82, ECA/UNTACDA/Res.91/84 and ECA/UNTACDA/Res.93/89 of the Conference of African Ministers of Transport, Communications and Planning; resolutions 639 (XXIII) and 710 (XXVI) of the ECA Conference of Ministers; Economic and Social Council resolutions 1988/67 of 28 July 1988 and 1991/83 of 26 July 1991 and General Assembly resolutions 43/179 of 20 December 1988 and 46/456 of 20 December 1991, General Assembly decisions 46/456 of 20 December 1991 and 48/455 of 21 December 1993 and draft 1996-1997 biennium programme, all constitute the current legislative mandates. The activities are an integral part of the regular programme activities of ECA in the fields of transport and communications.

Detailed costing of proposed activities 1996-1997**1. Consultancy****US\$161,500**

Consultancy services shall be required to prepare policy/technical reports relating to the commercialization and privatization of transport and communications services in Africa. The reports shall include: one general report and seven modal reports on roads and road transport, railways, air, maritime, ports, communications and postal services (see operative paragraph 6(a) and (b) of the resolution).

The cost of preparation and presentation at a regional conference of each report is estimated at two man-months at a gross fee of US\$19,000:

$$7 \times \$19,000 = \text{US\$133,000}$$

The cost of preparing the major policy document of the conference is estimated at 3 man-months of consultancy:

$$3 \times 9,500 = \text{US\$28,500}$$

2. Conference**US\$63,020**

A three-day regional conference on the policies and modalities for commercialization and privatization of transport and communications services shall be organized. Two high-level policy-/decision-making representatives from each member State shall be invited, as well as one representative from each of the five principal subregional IGOs, chambers of commerce, leaders of the subsectoral working groups of UNTACDA II and OAU.

(a) Staff travel and DSA to conference

Travel	12 x 2,500	=	30,000	
DSA	12 x 9 x 130	=	10,040	40,040

(b) Interpretation (2 English, 2 French, 2 Arabic)

Travel	6 x 2,000	=	12,000	
DSA	6 x 6 x 130	=	4,680	
Honorarium	6 x 3 x 350	=	6,300	22,980

Timing of activities

3. In view of the many complex technical and policy reports required for the regional conference on the privatization and commercialization of transport and communications services in Africa, it is proposed that the series of studies should commence before the end of 1995.

4. The organization and servicing of the conference has been planned to precede the Assembly of Heads of State and Government of OAU in or about mid-1997.

1995 activities

5. Field activities by the seven modal consultants to assess the enabling environment in the various subregions conducive to private sector participation in transport and communications sectors shall be carried out. This shall involve the following modes: roads and road transport, railways, air, maritime, ports, communications and postal services.

Estimated cost: $7 \times 2 \times 9,500 = \text{US\$}133,000$

1996-1997 biennium activities

6. Preparation of the major policy document of the conference on privatization of transport and communications services in Africa shall be carried out. This shall require three man-months of high-level consultancy services.

Estimated cost: $3 \times 1 \times 9,500 = \text{US\$}28,500$

7. Organization and servicing of an expert meeting followed by the regional conference.

Estimated cost: $\text{US\$}63,020$.

8. The total programme budget implication of the above activities is estimated at $\text{US\$}224,520$.

9. The activities mandated by this resolution shall be carried out within existing resources of the 1994-1995 and 1996-1997 programme budgets. The Executive Secretary of the Economic Commission for Africa is therefore mandated to prioritize activities of the 1994-1995 and 1996-1997 programme of work and priorities so as to accommodate the cost of the PBI of this resolution.

4(XVI). Food security and self-sufficiency in North Africa

The Conference of Ministers,

Reaffirming the dire need to ensure food security and self-sufficiency in North African countries,

Taking note of the studies conducted on regional cooperation with a view to achieving food security and self-sufficiency in the North African subregion,

Aware of the need for the North African subregion to secure well-documented information about the effect of agricultural commodity trade liberalization under the Uruguay Round on the imports and exports of such products into and from the subregion,

1. Recommends that the Economic Commission for Africa should:

(a) Conduct by the use of nutritional studies an assessment of the food intake requirements of the people in the subregion;

(b) Consider the machinery for harmonizing economic policies being pursued on the one hand to attain the goal of food security and self-sufficiency and on the other to harmonize quality standards for agricultural products traded by countries of the subregion with third countries, as well as measures to be taken to build the necessary infrastructure;

(c) Consider ways whereby the management of agricultural pesticide stocks could be supported so as to render their use less hazardous to people and the environment;

(d) Organize a regional seminar on the management and exploitation of migratory fish stocks;

(e) Conduct a technical and economic feasibility study on the uses of date waste;

(f) Organize, in collaboration with the Food and Agriculture Organization of the United Nations, a seminar on agricultural extension technologies;

2. Further recommends that the Commission conduct a study on the impact of the Final Act of the Uruguay Round agreement on agriculture on the imports and exports of agricultural products on the countries of the North African subregion;

3. Appeals to the international community to provide the necessary technical and financial assistance in this respect.

5(XVI). United Nations African Institute for the Prevention of Crime and the Treatment of Offenders

The Conference of Ministers,

Recalling its resolutions 392 (XV) of 12 April 1980, 609 (XXII) of 24 April 1987, 642 (XXIII) of 15 April 1988 and 661 (XXIV) of 7 April 1989,

Recalling further the numerous resolutions of the Economic and Social Council and the United Nations General Assembly affirming the United Nations African Institute for the Prevention of Crime and the Treatment of Offenders' vital importance to Africa in the field of crime prevention and criminal justice,

Taking note of the recommendations of the fourth meeting of the Governing Board of the Institute held in Addis Ababa on 4 and 5 January 1995,

Recalling the Declaration on the Institute by the African Preparatory Meeting, held in Kampala on 14 and 15 February 1994,

Recognizing that considerable progress has been made since the establishment of the Institute in the fields of training, provision of advisory services, information and documentation, promotion of collaboration among governments of the region as well as establishment of useful contacts at regional and international levels,

Deeply appreciative of the continuous support and assistance of the United Nations General Assembly and the Administrator of the United Nations Development Programme to the Institute ever since its inception,

1. Expresses its gratitude to the Government of Uganda for the generous provision of host facilities for the Institute;

2. Acknowledges with satisfaction the activities so far undertaken by the Institute towards the fulfilment of its mandate, under the overall policy guidance of its Governing Board, with the cooperation of the relevant United Nations organs;

3. Notes with satisfaction that, to date, 27 member States have ratified the Statute of the Institute;

4. Urges governments in the region which have not yet acceded to the Statute of the Institute to do so as a matter of priority in order to broaden the Institute's support base in the region;

5. Notes with satisfaction the action taken by the Governing Board to appoint a Director of the Institute;

6. Expresses its gratitude to the member States that have honoured their obligation to pay their assessed contributions to the Institute, and appeals to those who have not done so to make timely contributions, including payment of arrears, within a reasonable time to guarantee both the survival and the implementation of the work programme of the Institute;

7. Appeals to the Administrator of the United Nations Development Programme to renew its programme support to the Institute, taking into account the difficult economic and financial situation faced by most countries in the African region;

8. Also appeals to the United Nations to continue its financial support to the Institute to enable it to meet its administrative obligations on a sustained basis;

9. Endorses the recommendations of the Governing Board that the Chairmanship of the Board should be held by member States on a two-yearly rotational base from among the members of the Governing Board;

10. Approves the decision that the composition of the Governing Board of the Institute during the period 1995-1999 should be as follows:

- (a) Tangier Multinational Programming and Operational Centre subregion: Egypt and Tunisia;
- (b) Niamey Multinational Programming and Operational Centre subregion: The Gambia and Guinea;
- (c) Yaounde Multinational Programming and Operational Centre subregion: Congo and Equatorial Guinea;
- (d) Gisenyi Multinational Programming and Operational Centre subregion: Burundi and Rwanda;
- (e) Lusaka Multinational Programming and Operational Centre subregion: Mozambique, United Republic of Tanzania and Uganda;

11. Requests the Executive Secretary of the Economic Commission for Africa to follow up on the implementation of this resolution.

**B. OTHER DRAFT RESOLUTIONS
AND DRAFT SPECIAL MEMORANDUM
RECOMMENDED FOR ADOPTION
BY THE ECA CONFERENCE OF MINISTERS**

6(XVI). Implementation of the Treaty establishing the African Economic Community: harmonization, rationalization and strengthening of regional economic communities

The Conference of Ministers,

Considering the entry into force since May 1994 of the Abuja Treaty establishing the African Economic Community,

Recalling the need to speed up the integration process in response to the challenges facing the continent in its economic and social development, the establishment and consolidation of subregional groupings and the opportunities offered by the conclusion of the Uruguay Round negotiations,

Further recalling that the first stage in the implementation of the Abuja Treaty is the strengthening of the subregional communities which form the building blocks of the African Economic Community, that these regional communities are experiencing major difficulties, namely the rationalization of the intergovernmental organizations operating in each subregional space and the financing of the integration process as well as the difficulties encountered in the rationalization of the institutional frameworks for subregional cooperation,

Considering the urgent need to minimize the existing differences between the various schemes initiated by the integration institutions within each subregion, particularly in the trade liberalization systems, in which unification is an important factor in the establishment of the customs unions and subregional economic communities envisaged in the Abuja Treaty,

Further considering the objective limits of member States' contributions for financing the integration process and the need to make the process irreversible by initiating or speeding up the activities of the subregional communities,

1. Calls upon the Joint Economic Commission for Africa/Organization of African Unity/African Development Bank Secretariat to conclude the drafting of the protocols of the Treaty establishing the African Economic Community in good time for submission to the competent Community authorities for consideration;

2. Further calls upon member States, regional and subregional communities to:

(a) Initiate a programme of rationalization and harmonization of trade liberalization policies in each subregional space through the progressive unification of trade liberalization rules, including:

- (i) tariff dismantling schemes;
- (ii) rules of origin;
- (iii) certificates of origin;

- (iv) clearing mechanisms;
- (v) customs tariff and statistical nomenclatures;

(b) Support the regional integration process by adopting appropriate measures for the establishment of common external tariffs, a domestic taxation system and a pricing policy likely to guarantee economic efficiency and competitiveness of the products trade within the region;

(c) Institute within the regional and subregional economic communities indigenous resource mobilization mechanisms that would provide adequate and regular financing for the economic integration process;

3. Also calls upon the Executive Secretary of the Economic Commission for Africa, the Secretary General of the Organization of African Unity and the President of the African Development Bank to provide every support, including the commissioning of required studies, to the subregional economic communities in the planning, formulation and implementation of their rationalization programme and the establishment of indigenous resource mobilization mechanisms for the financing of integration;

4. Calls upon the United Nations Development Programme and other donor agencies to provide assistance for the financing of studies and activities that need to be conducted in the implementation of this programme.

7(XVI). Building Africa's information highway

The Conference of Ministers,

Cognizant of the need to promote cooperation in the exchange of information in support of the African Economic Community as well as development efforts at the national, subregional and regional levels,

Mindful of the need for African scientists and researchers to continue to participate in the scientific and technological activities at the global level,

Bearing in mind the need for emphasizing the importance of expanding Africa's information highway by building and utilizing critical capacities in Africa to this end,

Bearing in mind also the need to establish information networks and data bases as specified in the Treaty establishing the African Economic Community as well as the emphasis placed on information technology in the Lomé IV Convention,

Recognizing the need for African countries to develop information networks for full Internet connectivity to enable them to have the same access to information that the rest of the world now enjoys,

Recalling resolution 49/134 of the United Nations General Assembly on Strengthening information systems for Africa's recovery and sustainable development,

Recalling also its resolutions 716 (XXVI) of 12 May 1991, 726 (XXVII) of 22 April 1992, 732 (XXVII) of 22 April 1992, 789 (XXIX) of 4 May 1994, as well as resolution 1993/67 of the Economic and Social Council of 30 July 1993,

Appreciative of the joint effort of the Economic Commission for Africa, the United Nations Educational, Scientific and Cultural Organization, the International Telecommunication Union and the International Development Research Centre in organizing the first African Regional Symposium on Telematics for Development in Addis Ababa in April 1995,

Noting with satisfaction the performance of the Economic Commission for Africa's subprogramme activities on information systems development in the delivery of technical assistance to member States,

Further noting with satisfaction the assistance of the International Development Research Centre and other donors in promoting the Information Age in Africa,

Bearing in mind the need to strengthen the Commission's information support for subregional economic cooperation and integration,

1. Urges member States which have not yet done so to take the necessary steps to build national information networks for decision making and planning as part of the infrastructure for Africa's information highway;
2. Calls upon member States to promote the exchange of experiences with a view to assisting each other in speedily establishing their national information networks;
3. Requests the Executive Secretary of the Economic Commission for Africa to:
 - (a) Set up a high-level working group on information technologies and communications in Africa made up of African technical experts with a view to preparing a plan of action in this field;
 - (b) Mobilize the financial resources necessary for the operations of the aforementioned working group;
 - (c) Present a report on the implementation of this resolution to the next Conference of Ministers.

8(XVI). Accelerated implementation of the Programme of Action in the African least developed countries during the second half of the 1990s

The Conference of Ministers,

Recalling the Paris Declaration and the Programme of Action for the Least Developed Countries for the 1990s adopted by the second United Nations Conference on the Least Developed Countries and the basic principles outlined therein as the basis for action to promote fundamental growth-oriented transformation of the economies of the least developed countries,

Noting that the prime objective of the Programme of Action is to arrest the further deterioration in the socio-economic situation of the least developed countries and to reactivate and accelerate their growth and development and, in the process, to set them on the path of sustained growth and development,

Deeply concerned at the continuing deterioration in the socio-economic situation of the African least developed countries,

Recalling in this regard the commitment of the international community to implement the Programme of Action and underscoring the fact that its successful implementation would depend on shared responsibility and strengthened partnership for the growth and development of the least developed countries,

Recalling further the decision of United Nations General Assembly in its resolution 49/98 of 19 December 1994 to convene the High-level Intergovernmental Meeting on the Mid-term Global Review of the Implementation of the Programme of Action for the Least Developed Countries for the 1990s in New York from 26 September to 6 October 1995,

Noting with appreciation the preparatory activities undertaken by the secretariat of the United Nations Conference on Trade and Development to ensure the success of the High-level Intergovernmental Meeting,

Expressing deep concern that the number of least developed countries in Africa has increased from 21 in 1981 to 33 in 1994,

1. Takes note of the report of the Executive Secretary evaluating progress achieved so far by the African least developed countries in the implementation of the Paris Declaration and Programme of Action for the Least Developed Countries for the 1990s;

2. Reaffirms that the least developed countries have the primary responsibility for the formulation and effective implementation of national policies and priorities for their growth and development;

3. Welcomes the convening of the High-level Intergovernmental Meeting on the Mid-term Global Review of the Implementation of the Programme of Action and emphasizes that such an occasion is of particular significance as it will provide an opportunity to set out new and corrective policies and measures to ensure the effective and full implementation of the Programme of Action during the second half of the 1990s;

4. Requests the Executive Secretary of the Commission to intensify its efforts in regional coordination, with respect to international and regionally focused programmes and special measures in favour of the least developed, land-locked countries, in particular, to follow-up and monitor the implementation of the Paris Declaration and Programme of Action for the Least Developed Countries for the 1990s in those countries;

5. Requests further the Executive Secretary to transmit the Commission's regional document evaluating the progress achieved by the African least developed countries in the implementation of the Programme of Action and the Special Memorandum on the Mid-Term Global Review to the Permanent Representatives of African Missions to the United Nations at Geneva and New York through the Chairpersons of the African Groups and the Chairman of the Group of 77, as Africa's contribution to global review process and to report on the implementation of this resolution to the next Conference of Ministers.

9(XVI). Promotion of private investment in Africa

The Conference of Ministers,

Mindful of the large untapped investment opportunities in Africa and that investments on the continent could yield higher returns than in other regions of the world,

Conscious of the importance of private investment to the growth and development of African countries,

Considering the insufficiency of foreign private capital flows to and local investments in the African countries,

Recalling the need for African countries to create an environment conducive to private sector development and both domestic and foreign investment,

Noting with satisfaction the commitment of African countries to carrying out the necessary reforms, adopting appropriate policies and creating the institutional framework and machinery that would attract private investment,

Welcoming the ongoing efforts to build and strengthen partnerships in this area, particularly the initiatives taken by the Economic Commission for Africa, the United Nations Industrial Development Organization, the United Nations Conference on Trade and Development, the World Bank Group and other like-minded multilateral development institutions,

1. Calls upon African countries to intensify their efforts to create and maintain an enabling environment for private sector development and the growth of private capital inflows, especially in productive activities through the institution of the necessary macroeconomic framework which would emphasize improving infrastructural and human development resources capacities;

2. Invites Africa's development partners to extend every necessary support for improving investment conditions for both domestic and foreign investors through increasing the flow of official development assistance resources, implementing comprehensive debt-relief programmes, supporting the efforts of African countries to improve and enhance their financial intermediation capabilities, upgrading infrastructure and participating actively in the promotional activities of African countries;

3. Requests the Executive Secretary of the Economic Commission for Africa, the Secretary-General of the Organization of African Unity, the Director-General of the United Nations Industrial Development Organization, the Secretary General of the United Nations Conference on Trade and Development, the President of the African Development Bank and the World Bank Group to provide African

countries with the technical and financial assistance they need to promote private sector and private investment;

4. Invites all African countries and development partners to attend and participate actively in the regional forum on private investment in Africa to be held in Accra, Ghana in November 1995.

10(XVI). Promoting human development in Africa

The Conference of Ministers,

Aware of the primacy of the human being in the development process and of the need to focus the development endeavours of African countries on human development,

Emphasizes the importance of the mobilization and development of human resources in Africa as a crucial factor in promoting sustained and increasingly self-reliant socio-economic development,

Cognizant of the increasing recognition of the imperative to set, and strive to achieve, human development goals in the development process,

Aware of the commitments made to the cause of social and human development by the Jomtien World Conference on Education and Development, the Cairo World Conference on Population and Development, the New York World Summit for Children and the Copenhagen World Summit for Social Development and the need for their vigorous implementation in Africa,

Recalling the Commission's stance on human development as expressed in such landmark regional frameworks as the Lagos Plan of Action, the United Nations Programme of Action for African Economic Recovery and Development (UN-PAAERD), the Khartoum Declaration, the African Alternative Framework to Structural Adjustment Programmes for Socio-Economic Recovery and Transformation (AAF-SAP), the African Charter for Popular Participation in Development and Transformation, the Dakar/Ngor Declaration on Population, Family and Sustainable Development and the African Common Position on Human and Social Development in Africa and the African Platform for Action: African Common Position for the Advancement of Women,

Deeply concerned over the persistently deplorable human development situation prevailing on the continent,

Noting with appreciation the collaboration of the agencies of the United Nations, particularly the United Nations Development Programme, the United Nations Children's Fund, the United Nations Educational, Scientific and Cultural Organization and the World Health Organization in the preparation of the maiden report,

1. Commends the secretariat of the Economic Commission for Africa for its initiative in launching the series of reports on human development in Africa;

2. Urges member States to support fully this initiative and to use these reports, at this initial stage, as instruments for monitoring human development indicators and to participate in future within the

framework of the Commission in perfecting these instruments both from the theoretical and practical points of view, taking into account the specific features of Africa;

3. Requests the Executive Secretary of the Commission and Africa's development partners to make use of this report as a framework to

(a) Promote the cause of human development in Africa; and

(b) Monitor progress in the attainment of regional targets set and the fulfilment of regional commitments made in respect of human development in fora such as the World Conference on Education for All, the World Summit for Children, the World Conference on Population and Development, the World Summit for Social Development as well as within the framework of the African Common Position on Human and Social Development in Africa;

4. Further requests the Executive Secretary of the Commission to submit a report every two years to the Conference of African Ministers responsible for Human Development and its Ministerial Follow-up Committee of Fifteen;

5. Calls upon the United Nations agencies and the international community at large to cooperate technically, materially and financially, with the Commission in the preparation of this report.

11(XVI). Strategy and Action Plan for Water Resources Assessment, Development and Management in Africa

The Conference of Ministers,

Aware that water resources assessment, development and management contribute significantly to the socio-economic development of Africa in general and to agricultural development in particular,

Further aware that although the African region is relatively well-endowed with water resources potential, the bulk of which is yet to be harnessed for sustainable development, there exists water stress and water scarcity in many African countries, thereby leading to user conflicts,

Recognizing the frequent recurrence of drought in Africa and the negative effects it has on food production and availability of water,

Recalling the relevant recommendations of the 1977 Mar del Plata Action Plan and the subsequent African Regional Strategy adopted by the 1980 Lagos Plan of Action and the relevant provisions of chapter 18 of Agenda 21 adopted by the United Nations Conference on Environment and Development in 1992,

Cognizant of the conclusions and recommendations of the World Bank/United Nations Development Programme Sub-Saharan Africa Hydrological Assessment Project which identified the recent deterioration and need for upgrading and strengthening of hydrological and hydrometeorological services in Africa,

Taking note of the report on food and agriculture production, food security and food self-sufficiency in Africa,

Taking note also of the conclusions of the Economic Commission for Africa/World Meteorological Organization International Conference on Water Resources: Policy and Assessment, in March 1995, which adopted a Strategy and Plan of Action for Water Resources Assessment in Africa to be implemented by the member States in partnership with subregional and regional and international organizations and other support agencies,

Highly appreciative of, and expressing satisfaction at the existing exemplary cooperation and collaboration between the World Meteorological Organization and the Economic Commission for Africa,

1. Calls upon all African countries to:

(a) Adopt the strategy and plan of action presented in the Report of the Economic Commission for Africa/World Meteorological Organization Water Conference and use it in implementing their programmes of water resources assessment, development and management;

(b) Initiate actions to develop and/or strengthen management and technical capabilities (including relevant institution and infrastructure building), promote awareness, establish sustainable financial base and adopt an integrated approach for sustainable water resources development and management;

2. Urges the concerned subregional and regional intergovernmental development organizations such as the Organization of African Unity, the African Development Bank, the African Centre of Meteorological Applications for Development, the Regional Centre for Training in Aerospace Surveys, the Intergovernmental Authority on Drought and Development, the African Ministerial Conference on the Environment, the African Organization for Cartography and Remote Sensing and the various river/lake basin organizations to:

(a) Promote and strengthen inter-country cooperation for integrated development of trans-boundary river/lake ground-water basins;

(b) Promote and implement initiatives to provide incentives to national and regional programmes in water resources monitoring, assessment and development, especially as it relates to agricultural development;

3. Calls upon the external support agencies to:

(a) Incorporate the strategy and plan of action in their programmes of assistance for water resources assessment and integrated water resources management in the African countries;

(b) Promote this strategy and plan of action for water resources assessment in Africa in the context of a comprehensive approach to sustainable development and provide financial support for its implementation;

4. Requests the Economic Commission for Africa to continue to cooperate with the World Meteorological Organization in its support to African countries and take a leadership role, in collaboration with other United Nations organizations as well as national, subregional and regional organizations involved in the water sector in Africa to:

(a) Actively promote this strategy and plan of action for water resources assessment in Africa in the context of comprehensive approach to sustainable development;

(b) Mobilize the necessary support for its implementation.

12(XVI). Programme of work and priorities for the biennium 1996-1997

The Conference of Ministers,

Recalling General Assembly resolution 41/213 of 19 December 1986 and subsequent relevant resolutions on programme planning,

Recalling further its resolutions 728 (XXVII) and 769 (XXVIII) on restructuring and revitalization of the United Nations in the economic and social fields, and in particular strengthening the role of the Economic Commission for Africa to provide team leadership in addressing the region's development challenges and for enhancing its impact,

Reaffirming that measures to improve the efficiency of the administrative and financial functioning of the secretariat and to improve the planning, programming and budgeting process as called for by General Assembly resolution 47/212, would significantly contribute to enhancing the effectiveness of the Commission in dealing with the development challenges facing the African region,

Conscious of the importance of the ongoing reform measures on the effectiveness of the United Nations resulting from General Assembly resolution 46/235 on the basis of which resources and activities have been decentralized from Headquarters to the Economic Commission for Africa during the 1994-1995 biennium,

Having examined the proposed programme of work and priorities of the biennium 1996-1997 contained in document E/ECA/CM.21/12,

Taking note of the new organizational structure which, among other things, is aimed at enhancing the effectiveness of the Commission,

Appreciative of the redeployment of resources to the Commission's regular programme for technical cooperation to enhance the multidisciplinary regional advisory services it renders to member States,

Noting with appreciation the grant made available to the African Institute for Economic Development and Planning, significantly contributing to the operational capacity of the Commission,

1. Endorses the proposed programme of work and priorities for the biennium 1996-1997;
2. Requests the Secretary-General to ensure, through the Administrative Committee on Coordination, that United Nations programmes and activities for the African region are coordinated and harmonized for cost-effectiveness, synergy and greater impact;

3. Urges the Secretary-General of the United Nations in making his proposals for the 1996-1997 programme budget to take into consideration the special development needs of the African region, by stressing the need to make available to the Commission adequate resources to enable it fully carry out those activities under programme 30: Regional cooperation for development in Africa and programme 45: African critical economic situation, recovery and development, in particular subprogramme 2 on monitoring, assessment, and follow-up of the implementation of action programmes, including their financial aspects;
4. Requests the Executive Secretary of the Commission to endeavour to maintain and strengthen the cohesion of the programme of technical cooperation, especially at the implementation level;
5. Urgently appeals to the General Assembly to convert the grant to the African Institute for Economic Development and Planning to established core posts in the regular budget as called for in Economic and Social Council resolutions 1992/85 and 1993/68;
6. Appeals to the Committee for Programme and Coordination to consider these proposals favourably at its forthcoming session, and recommend, through the Economic and Social Council at its substantive session in July 1995, their adoption by the General Assembly at its fiftieth session;
7. Calls upon the General Assembly and its Second and Fifth Committees to take all necessary actions to ensure that adequate resources are made available to the Commission for the implementation of this work programme.

13(XVI). Strengthening of the operational capacity of the Economic Commission for Africa: United Nations Trust Fund for African Development

The Conference of Ministers,

Recalling its resolution 779 (XXIX) of 4 May 1994 on the strengthening the operational capacity of the Commission,

Aware of the importance of extrabudgetary resources in general and the United Nations Trust Fund for African Development in particular in financing the Commission's operational activities in the African region,

Concerned over the continuous decreases in pledged contributions, due largely to the socio-economic crisis affecting most African countries,

Aware of the existence of the General Pledging Conference of the United Nations held annually at United Nations Headquarters,

Reaffirming the need for coordination and harmonization of the activities of both pledging conferences in order to avoid duplication of effort,

1. Expresses its appreciation to the countries which have pledged and fully paid their contributions to the United Nations Trust Fund for African Development;

2. Invites African countries and institutions, multilateral and bilateral donors, to continue their support of the Fund;

3. Requests the Executive Secretary of the Commission to review the operations of the Fund and make proposals for strengthening them, including the possibility of:

(a) Negotiating a schedule for the phased payment of contributions pledged or their outright cancellation;

(b) Merging of the Fund's biennial pledging conferences with the General Pledging Conference of the United Nations which is organized annually by the Secretary-General at United Nations Headquarters;

4. Further requests the Executive Secretary of the Commission to take all the necessary steps to implement this resolution and to report thereon to the next Conference of Ministers.

**DRAFT SPECIAL MEMORANDUM ON
THE MID-TERM GLOBAL REVIEW OF THE IMPLEMENTATION OF
THE PROGRAMME OF ACTION FOR THE LEAST DEVELOPED
COUNTRIES FOR THE 1990S**

PREAMBLE

1. We, the Conference of Ministers responsible for Economic and Social Development and Planning convened in Addis Ababa for our thirtieth session/twenty-first meeting from 1 to 4 May 1995, and acting for and on behalf of our Governments and peoples in the spirit of the Charters of both the United Nations and the Organization of African Unity, have reviewed the progress achieved by the African least developed countries (LDCs) in the implementation of the Programme of Action for the Least Developed Countries for the 1990s.

2. It is our deep concern that the deteriorating socio-economic situation in the African LDCs, characterized by very low economic growth and continuous decline in per capita income, attributed partly to the adverse effects of climatic conditions and the aggravating factor of the civil wars, ethnic and other political conflicts had occasioned a growing number of refugees and displaced persons. The economies of these countries continue to suffer from formidable structural deficiencies and other basic constraints to growth and development. The ever increasing number of least developed countries in Africa now number 33 countries as against 21 in 1981.

3. The negative impact of the unfavourable international economic environment on the African LDCs gives us special concern, especially as it relates to: shortages of foreign exchange resources and negligible inflows of foreign direct investment (FDI); the decline in total external assistance, especially official development assistance (ODA); the continued inflexibility in the terms of aid; the exceptional severity of the debt burden and debt overhang; all of which factors have derailed the efforts of the African LDCs at adjustment and economic reforms.

4. In the spirit of the Paris Declaration and Programme of Action, the primary responsibility for their overall socio-economic development rest with the African LDCs themselves. The African LDCs have undertaken the necessary and often painful adjustments and economic reforms in order to restore growth and development. However, due to their narrow macroeconomic capacities and structural handicaps such domestic efforts cannot induce the desired rate of economic growth if they are not supported by a favourable international economic environment, especially adequate external resources which should be predictable, timely and sustained.

5. The increasing wave of civil wars, ethnic and political violence in a number of the African LDCs which have had a devastating impact on normal living conditions and economic activities is a matter for serious concern. The international community is to be commended for providing generous assistance¹ in support of conflict resolution and peace-keeping operations in those countries afflicted by these man-made disasters.

6. The spirit that prevailed at the second United Nations Conference on Least Developed Countries has not been fully sustained since commitments made by the international community have not been implemented, and that the achievements under the programme are far below expectations. Nonetheless, the

Programme of Action remains a valid framework of reference for measures to be taken at the national and international levels with a view to effecting the necessary changes to improve the living standards of the African LDCs' populations.

7. The convening of the High-level Meeting on the Mid-term Global Review of the Implementation of the Programme of Action which will review progress made in the implementation of the programme at the national and international levels and, to consider new measures for accelerating the development process in the least developed countries during the next half of the 1990s is a welcome development. Such an important occasion has given us the impetus to prepare this Special Memorandum in the hope that the assessments and proposals it contains will be considered by the international community as an adequate framework for bringing about the necessary structural transformation and other positive changes in the economic and social development process in the African LDCs.

8. To ensure the successful outcome of the High-level Intergovernmental Meeting, it is important that participation should be at the highest level wherever possible and that all countries, as well as multilateral and bilateral financial and technical assistance institutions should take the necessary steps to ensure appropriate preparations for the meeting.

I. SOCIO-ECONOMIC PERFORMANCE OF AFRICAN LDCS, 1990-1994

9. The average annual growth rate in GDP of the African LDCs is estimated at -0.03 per cent in real terms during 1990-1994. Agriculture, which absorbs more than 50 per cent of the labour force and contributes an average of 37.8 per cent to GDP in the African LDCs, declined by an annual average of 2.6 per cent during 1990-1994. Manufacturing output declined by an annual average rate of 2.6 per cent. Most of the African LDCs reported increasing budgetary deficits. This sluggish performance is attributed to both domestic and external factors. The domestic factors include, *inter alia*, the adverse climatic conditions, civil wars and other political conflicts that constrained production possibilities in a number of the African LDCs as well as unsustainable high internal debt.

10. Several African LDCs were seriously affected by drought, desertification and cyclones and their recurrence in the 1990-1994 period. As a result, food production was severely curtailed and most African LDCs had to depend on food imports and international food aid to meet domestic consumption requirements.

11. An assessment of the social conditions reveal that the African LDCs exhibited higher infant mortality and fertility rates whereas the population growth rate is estimated at 3.1 per cent currently, as compared to 2.7 per cent in the latter part of the 1980s. The rates of participation of women in education and the labour force, as well as employment in the formal sector are lower, as compared to those of men. It is estimated that about 65 and 30 per cent of rural and urban population respectively live below the poverty line in the African LDCs.

12. The ongoing democratization process in the African LDCs has not received the requisite external support essential for its sustainability. Such lack of support could endanger the fledging reform process.

13. The adverse external economic environment faced by the African LDCs in the period 1990-1994 had negatively affected their already fragile socio-economic structures. The decline in world demand and low prices for a number of primary commodities of export interest to the African LDCs substantially reduced export earnings, thus aggravating their balance-of-payments problems. In addition, the decline in ODA flows had weakened the ability of the African LDCs to implement adjustment and economic reform programmes.

14. The debt of the African LDCs worsened considerably in the early 1990s. Estimated at US\$78.2 billion in 1990, the total external debt of the African LDCs reached \$87.8 billion by the end of 1993. Debt-service payments declined from \$2.4 billion in 1990 to \$1.8 billion in 1993 but this is basically attributed to debt rescheduling and growing debt arrears rather than a fundamental change in debt stock or debt-service obligations.

II. IMPLEMENTATION OF THE PROGRAMME OF ACTION IN THE AFRICAN LDCS

15. In chapter II (a) of the Programme of Action, the LDCs were required to implement national and international policy measures to improve the environment for accelerated and sustainable development. Since 1990, all the African LDCs have adopted major policy reform measures including the liberalization of their economies. To enhance agricultural production (especially of food crops), producer prices have been freed as an incentive to farmers to increase output. Public enterprises have either been privatized or restructured to enhance their efficient management. Measures were taken to reduce the budget deficit through a freeze and/or reduction in the size of the public sector employment. Interest rates were restructured to encourage increased domestic savings and measures were taken to broaden the tax base.

16. The external and internal disequilibrium faced by the African LDCs caused a number of them to adopt structural adjustment programmes. However, the adjustment programmes were not adequately funded. In general, the implementation of adjustment and economic reform programmes was constrained by several factors referred to earlier, which limited their effectiveness and impact.

17. The Programme of Action, in paragraph 23, states that donors should provide more than 0.20 per cent of their GNP to the LDCs as ODA. In general, total ODA from OECD/Development Assistance Committee (DAC) sources, which was an average of 0.09 per cent of GNP in 1990, dropped to 0.08 per cent in 1991 and 1992 and further to 0.07 per cent in 1993. Since 1990, however, a few donors have achieved this threshold and some are making progress towards achieving the target.

18. The Round-table and Consultative Group meetings should be further strengthened as an appropriate aid mechanism for aid mobilization and coordination. The policy dialogue at such fora leads to a better understanding of the LDCs macroeconomic policy frameworks and creates a better appreciation of their

development assistance requirements. It is of great concern that a fewer number of African LDCs organized Round-table and Consultative Group meetings during 1990-1994 as compared with the 1980s. Consequently, the lead agencies, UNDP and the World Bank, should ensure that the country review process leads to translating the principles and commitments of the Programme of Action into concrete measures at the national level.

19. It is noteworthy and encouraging that some donors have taken measures in the context of UNCTAD Trade and Development Board resolution 165 (S-IX), the enhanced Toronto Terms and Trinidad Terms to ease the debt burden of a number of African LDCs. While much progress has been made, a number of donors are yet to implement such measures. As a result, about 21 African LDCs have continued to experience exceptionally severe debt burden and debt overhang.

20. In general, however, the commitments on international support measures have not been fully implemented. These include:

- (a) External resource flows targets of bilateral ODA;
- (b) Adequate increases in the allocation of multilateral aid programmes to LDCs;
- (c) The creation of new mechanisms for increased financial transfers to LDCs;
- (d) The improvement of aid modalities;
- (e) The improvement of current commercial measures and practices.

21. The disappointing economic and social performance in the African LDCs during the first half of the 1990s clearly reinforces the need for a mid-term global review to appraise the implementation of the Programme of Action and to consider, formulate and adopt new policy measures to accelerate the development process in the LDCs during the rest of the 1990s, in accordance with their national long-term social and economic objectives.

III. PROPOSALS ON MEASURES FOR THE ACCELERATED IMPLEMENTATION OF THE PROGRAMME OF ACTION, 1995-2000

22. In the Programme of Action, the international community refused to accept the marginalization of the LDCs as an ethical imperative which also corresponds to long-term global economic and security interests. The Programme is based on shared responsibility and a strengthened partnership for the growth and development in LDCs. It also stipulates that the success in the implementation of the Programme of Action rests on the effectiveness of national policies, a favourable international economic climate and strengthened partnership based on mutual commitments. The Declaration defined five priority areas in the Programme of Action to form the basis of interactions by the LDCs in their struggle against poverty. The

areas are: improvement in macroeconomic policy framework; the development of human resources; reversal in the trend of environmental degradation; promotion of an integrated policy of rural development; and development of a diversified productive sector based on private initiatives.

23. According to the human and social measures of development as reflected in educational, health and demographic variables, as well as the status of women, the African LDCs are faced with the formidable task of improving the living conditions of their people. This fact makes it imperative for a renewed focus on poverty alleviation within a human-centred development context.

A. National measures

24. A fundamental prerequisite in alleviating poverty is the empowerment of the poor in the African LDCs, for instance, through massive investment in human resource development through education, particularly basic education (with emphasis on vocational and other skills training) and health (rural health clinics and primary health care facilities and programmes) and in physical infrastructure (a transport network with priority to the development of rural roads, especially farm-to-market roads, rural electrification, postal and telecommunication facilities and clean piped-water, etc.).

25. The poor in the African LDCs must be empowered through a recognition and support of informal income-generating activities and the provision of credits through appropriate financial intermediation mechanisms suitable to their needs and capacities. Poverty alleviation programmes should be an integral part of short-, medium- and long-term development perspectives and plans, and must perforce be anchored in labour-intensive and employment-creating strategies.

26. There is a need for the African LDCs to continue to take actions to improve their existing macroeconomic policy frameworks and environment. To implement reforms and adjustment programmes would require the necessary human and institutional capacities and financial resources. While short-term macroeconomic stability and external viability may be the main objectives of SAPs, there is need for the adoption of wider economic reforms.

27. Efforts must be made to mobilize and efficiently utilize domestic resources. These should include the forging and formalization of the linkages between informal financial institutions and arrangements and the formal banking systems which could enhance the mobilization of domestic financial resources for investment. Domestic informal trade and unrecorded cross-border trade are also major sources of domestic private financial resources that could make an important contribution to economic development in the African LDCs. There is need to formalize these trading activities by simplifying licensing and administrative procedures and to provide them with adequate credit facilities. The African LDCs should take steps to encourage new private sector investments to develop and expand small- and medium-scale enterprises.

28. As regards domestic public resource mobilization, African LDCs must take steps to restructure public expenditures away from non-productive activities to the financing of the development budget. They also

need to strengthen the efficiency of resource use and overall management. On the revenue side, there is need to restructure taxes and build up capacities to ensure an extensive coverage of taxable sources.

29. With regard to economic cooperation, African LDCs should intensify their efforts to implement the protocols of the Abuja Treaty by ensuring their effective participation in the subregional economic groupings. Being the weakest link in the chain, the African LDCs should emphasize the removal/reduction of tariffs; free movement of people and capital, improvement in transport and communications and intensification of economic cooperation based on genuine interest to acquire inputs or to have access for their outputs within the African region.

30. The globalization and liberalization of the world economy would require the African LDCs to create an enabling environment to enhance the development of a production structure that would facilitate their integration into the framework of the world economic system.

B. International support measures

31. In one of the key provisions of the Programme of Action, the international community committed itself to a significant and substantial increase in the aggregate level of external support to LDCs. However, implementation of the aid targets has been weak. Instead of donors improving their performance in the aggregate, there has been a movement away from target implementation, followed by lower aid contributions in general as noted earlier. Donors should endeavour to fulfil the commitments and targets established in the Programme of Action, particularly the 0.20 per cent of their GNP in the form of ODA resource flows to the LDCs and other targets and commitments. Alongside the issue of flows is the need to improve the quality and terms of ODA by increasing the grant and near grant elements while minimizing the tying of aid.

32. The debt problem of the African LDCs is not a matter of liquidity but one of solvency. While we appreciate the various debt-relief measures applied in favour of the African LDCs, creditor countries should anchor their political will in the spirit of global economic security and social development of the poor countries by deciding on an outright cancellation of all the debt owed to them by the African LDCs. Taking into account the debt-distressed situation of the African LDCs, their level of poverty and the continued deterioration in their economies, bilateral creditors/donors should strongly support the proposals made in 1990 by the Government of the Netherlands to unilaterally cancel official bilateral debt owed by the African LDCs.

33. Multilateral creditors should introduce the requisite flexibility in the application of conditionalities and performance criteria in both economic reforms and debt repayments of the African LDCs which are not capable of adhering to the stringent rules now being applied because of their narrow macroeconomic capacities and difficult resource problems. In addition to the current multilateral initiatives being implemented to ease the debt burden of low-income countries, multilateral financing institutions should innovate other arrangements aimed at substantially reducing the severity of the debt overhang of African LDCs.

34. While the Final Act of the Uruguay Round Agreements is a positive arrangement to enhance world trade, the challenges facing the African LDCs is to translate the Agreements into their fuller participation in international trade and their integration into the globalization process. To ameliorate the supply rigidities and narrow production base of the African LDCs, adequate financial and technical assistance, debt relief, improved market access and other trade- and investment-support is needed to enhance their supply capacity of tradeable goods and services. The African LDCs would need to develop and strengthen institutional and human capacities to formulate and manage legislation implementing the complex set of agreements of the Round. They would require substantial external support to offset the adverse consequences of the Round in the short run and ensure that they take full advantage of the special measures accorded to them in the various agreements. Apart from allowances to be made to extend the moratorium for the implementation of the Agreements - say from 15 to 20 years for the African LDCs - specific measures must be elaborated to enable these countries to retain existing benefits or obtain compensation for the losses they may incur as a result of the Agreements. Those preferential schemes which benefit the African LDCs must be extended and enlarged.

35. ECA, UNCTAD, ITC and WTO should provide adequate technical assistance to strengthen the institutional and human resource capacities in the African LDCs so as to enhance their capability to implement the Uruguay Round Agreements.

C. Follow-up mechanisms and monitoring

36. While the criteria for the designation of LDCs is presently focused on admission, some thought must be given to the development of a broad-based graduation criteria, including indicators related to the progress made towards graduation, the identification of sustainable development routes and the effectiveness of external assistance in bringing about the necessary changes in economic and social progress and to place the LDCs on a path of irreversible graduation.

37. The Executive Board of the World Bank and the Governing Council of UNDP to ensure that all necessary steps are taken to maintain the momentum of external resource mobilization efforts by convening the Consultative Group meetings and Round-table Conferences on behalf of the African LDCs in line with the provisions of the Programme of Action for the 1990s, and in view of General Assembly resolution 32/197 of December 1977 on ECA's responsibility for the coordination of overall development activities in the African region, the lead agencies should associate ECA in the organizational process.

38. There is also a need to reflect on the adequacy of the present mechanism for follow-up and monitoring of progress achieved in the implementation of the Programme of Action. Since the task of follow-up involves the regional commissions, UNCTAD, UNDP and the World Bank especially, there is a need to strengthen the inter-agency framework and to regularize possible modalities of interaction in a firm work plan and schedules and the necessary resources provided for its proper functioning.

IV. CONCLUSION

39. In the light of the above assessment and proposals, we recognize that there is a need for stronger efforts by both the African LDCs and their development partnership to implement the Programme of Action in consonance with the basic principles of the Paris Declaration and Programme of Action, notably that reversing the socio-economic decline of the African LDCs is a matter of ethical imperative. The experience of Botswana, which is the first country to graduate from the group of LDCs, shows how properly articulated national policies through the utmost national consensus-building on measures and programmes, prudent management of resources and sustained international support, can bring about the requisite economic and social progress in the African LDCs.

Annex II

**REPORT OF THE LDC SUBCOMMITTEE
AND
DRAFT SPECIAL MEMORANDUM BY THE CONFERENCE OF MINISTERS ON
THE MID-TERM GLOBAL REVIEW OF THE IMPLEMENTATION OF
THE PROGRAMME OF ACTION FOR THE LEAST DEVELOPED
COUNTRIES FOR THE 1990S**

I. INTRODUCTION

1. The Sub-Committee on the Global Mid-term Review of the Programme of Action for the Least Developed Countries for the 1990s met in Addis Ababa, Ethiopia, on 26 and 27 April 1995 under the Chairmanship of His Excellency Mr. Emmanuel Mendoume-Nze, Ambassador of the Republic of Gabon to Ethiopia and First Vice-Chairman of the Technical Preparatory Committee of the Whole (TEPCOW).

II. ATTENDANCE

2. The following member States participated in the work of the Committee: Burkina Faso, Gabon, Madagascar, Malawi, Rwanda, the Sudan and Zambia. The following organizations attended as observers: the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Children's Fund (UNICEF).

III. AGENDA

3. On the agenda of the Committee were the following three items:

(a) Global Mid-term review of the Implementation of the Paris Declaration and Programme of Action for the Least Developed Countries for the 1990s: A review of progress achieved by the African least developed countries in the implementation of the Paris Declaration and Programme of Action for the Least Developed Countries for the 1990s (1990-1994);

(b) Consideration of the draft Special Memorandum on the Mid-term Review of the Implementation of the Programme of Action for the Least Developed Countries for the 1990s to be submitted to the thirtieth session of the Commission/twenty-first meeting of the Conference of Ministers to be held in Addis Ababa from 1 to 4 May 1995 for adoption and onward transmission to the Meeting of Experts of Donor Countries and Multilateral and Bilateral Financing and Technical Assistance Institutions with representatives of the Least Developed Countries to be held in Geneva from 29 May to 2 June 1995 and the High-level Intergovernmental Meeting on the Global Mid-term Review of the Programme of Action for the Least Developed Countries for the 1990s to be convened in New York from 26 September to 6 October 1995;

(c) Consideration of the draft resolution on the accelerated implementation of the Programme of Action for the Least Developed Countries for the 1990s during the second half of the 1990s.

IV. REPORT OF THE SUB-COMMITTEE ON MID-TERM GLOBAL REVIEW OF THE IMPLEMENTATION OF THE PROGRAMME OF ACTION FOR THE LEAST DEVELOPED COUNTRIES FOR THE 1990S

4. Under this agenda item, the Sub-Committee considered document E/ECA/CM.12/15 entitled "A review of progress achieved by the African LDCs in the implementation of the Paris Declaration and Programme of Action for the Least Developed Countries for the 1990s (1990-1994)". The Sub-Committee took note of the economic and social situation of the African LDCs which had deteriorated during the period 1990-1994 when the aggregate gross domestic product (GDP) declined by an annual rate of 3.1 per cent. This sluggish overall performance is attributed principally to civil wars and internal strife in a number of the LDCs that caused the destruction of physical and social infrastructure, disruption in production, loss of human lives, displacement of persons and mass exit of refugees. As much as 60 per cent of the population of the African LDCs live below the poverty line and the magnitude and severity of poverty has been exacerbated by the negative impact of adjustment programmes, especially the elimination of subsidies and public sector retrenchments which have led to both higher prices of basic consumer goods and widespread unemployment.

5. The Sub-Committee further noted that external financial flows to the LDCs were far below the commitments and targets set in the Programme of Action, notably the transfer of 0.20 per cent of donor gross national product (GNP) as official development assistance (ODA). The total financial flows to the African LDCs decreased at an annual average of 2.2 per cent during the period 1990-1993, as compared to 4.4 per cent during the period 1987-1989. In absolute terms, the total flows averaged US\$ 12.5 billion between 1990 and 1993, much lower than the 1990 figure of \$13 billion, or less than one third of the target. Some of the reasons for this low level of assistance are associated with donor fatigue, the new demands on aid resources by the transitional economies of Eastern Europe and the Republics of the former Soviet Union; continued recession and aid-related budgetary cuts in the Organization for Economic Cooperation and Development (OECD) countries; and the diversion of aid funds to emergencies and conflict resolution operations.

6. The Sub-Committee was concerned by the excessively high level of African LDC debt which rose from \$86.7 billion in 1992 to \$87.8 billion in 1993, while the average debt-to-GDP ratio stabilized at around 110 per cent. Most of the countries are experiencing severe debt burden and debt overhang and, as such, they are being prudent in debt management and are avoiding contracting non-concessional credits. The level of debt service had declined from \$2.4 billion in 1990 to \$2.0 billion in 1992 and further declined to \$1.8 billion in 1993, while the average debt service to export of goods and services ratio dropped from 15 per cent in 1990 to 12 per cent in both 1992 and 1993. This is basically attributed to the growing arrears and accumulation of debt through re-scheduling rather than any fundamental change in the debt situation.

7. The Sub-Committee observed that, in the context of the UNCTAD Trade and Development Board resolution 165 (S-1X) and commitments in the Programme of Action, several OECD creditors have cancelled official debts owed by some African LDCs during the period 1990-1994. Multilateral financing institutions took initiatives like the special programme of assistance (SPA) for sub-Saharan Africa, the debt reduction facility (DRF) and the supplementary International Development Association (IDA) adjustment credit programme of the World Bank and the International Monetary Fund (IMF) special adjustment facility (SAF) and enhanced special adjustment facility (ESAF) resources, all of which have benefitted a number of the African LDCs. Nonetheless, most of the African LDCs are experiencing critical resource shortages and remain with a heavy debt burden and severe debt overhang, and the way forward points to multi-pronged policy and strategy directives to be backed by adequate domestic and external funds and the necessary human and institutional capacities to design and implement reforms. The African LDCs should continue to improve their reforms if they are to attain and maintain a stable and sustainable economic growth. These reforms should cover wide ground and be "additive" in their pace of development, shorten the "transition phase" of structural adjustment programmes (SAPs), etc. In addition to improved economic organization and management, reforms are expected to increase the level and rate of growth of domestic resources and enhance the integration of the African LDCs into the global economy.

8. The Sub-Committee further reiterated that donors should increase their financial aid to the African LDCs in fulfilment of their commitments to assist these countries in their pursuit to create an enabling environment. External financial flows would have the desired development impact if they are more focused, coordinated, increased and guided by the development strategy of the African LDCs recipients. The debt problem of the African LDCs is not a matter of liquidity but one of solvency. In light of the proposal made by the Government of the Netherlands in 1990, creditors should confirm their commitments and political will to undertake outright forgiveness/cancellation of official bilateral debt owed to them by the African LDCs. Such a gesture, as part of a strengthened development partnership, will remove the debt overhang and improve relationships with the donor community, thereby paving the way for additional financial flows to the African LDCs.

9. The Sub-Committee noted that the Final Act of the Uruguay Round was a remarkable achievement in international trade liberalization, but once again, the African LDCs may have nothing to gain from this, mainly because of their low production base, their supply rigidities and their lack of competitiveness. The

8 to 10 years transition period granted to developing countries to adjust themselves to the Agreements was too short for the African LDCs. The implementation system and procedures were also too complex for these countries which lacked adequate human expertise and the requisite administrative resources. Furthermore, the African LDCs ought to be compensated financially for any potential loss they may incur from the anticipated erosion of existing benefits as a result of the Uruguay Round. In fact, they should be granted 15 to 20 years moratorium for the implementation of the Agreements, as well as substantial technical and financial assistance to expand their production base and diversify and promote their exports. They would also require appropriate technical and administrative support to enable them successfully implement the Agreements' complex procedures and mechanisms.

10. The Sub-Committee took note of General Assembly resolution 49/98 of 19 December 1994 which decided, inter alia, to convene the High-Level Intergovernmental Meeting in New York from 26 September to 6 October 1995, on the Mid-term Global Review of the Programme of Action to be preceded by a one-day meeting of senior officials on 25 September. The resolution had defined specific tasks before the meeting, namely to carry out the global mid-term review of the Programme of Action, consider new measures as necessary, and report to the General Assembly on the progress made in the implementation of the Programme. In preparation for the High-Level Intergovernmental Meeting, the General Assembly decided to convene a donor/recipient meeting to be held in Geneva from 29 May to 2 June this year. In order to ensure the full mobilization and coordination among United Nations agencies in preparation for the Mid-term Global Review, the General Assembly had also decided to hold an inter-agency meeting. This meeting would now take place during the CCPOQ scheduled for 30 and 31 May 1995.

11. The Sub-Committee was appreciative of the high priority which the UNCTAD secretariat attached to the High-Level Intergovernmental Group meeting, and took note of the three expert group meetings on: Women in Development, Fiscal Policy Reforms and Trade Diversification in LDCs, which UNCTAD had convened to assist the intergovernmental dialogue. The Symposium for Land-locked and Transit Developing Countries and the second Meeting of Governmental Experts from Land-locked and Transit Developing Countries, Representatives of Donor Countries and Finance and Developing Institutions, to be held in June 1995 would address specific regional problems in implementing the recommendation of the first Meeting of Governmental Experts held in May 1993. The outcome of these meetings would provide a strong basis for the consideration of these issues at the High-Level Intergovernmental Meeting. Besides the above-mentioned meetings, UNCTAD's preparatory activities had also included preparation of substantive documentation, coordination with other United Nations agencies as well as organization of media events and other advocacy activities.

12. The Sub-Committee further observed that the UNCTAD Trade and Development Board carried out, in its forty-first session concluded recently in Geneva, the fifth annual review of the progress in the implementation of the Programme of Action and reviewed the status of preparations and organization of work of the High-level Intergovernmental Meeting. Thus, it recommended in its Agreed Conclusions, that participation in the High-level Intergovernmental Meeting be at the highest level wherever possible.

13. The Sub-Committee took note of the several elements that have been identified as a basis for the assessment of the implementation of the Programme of Action and for possible policy recommendations. These are the following:

(a) Developments in the world economy since 1990 as they affect the growth and development performance of LDCs and lessons learned from adjustment and macroeconomic and sectoral policy reforms;

(b) Provision of ODA and debt-relief measures during the early 1990s and the implications of the enlargement of the list of LDCs, in particular for international support measures;

(c) The challenges posed by the ongoing processes of globalization and liberalization on the social and economic conditions in the LDCs;

(d) Implications of the occurrence of political and civil strife in a number of LDCs, in particular on their capacity to administer and manage their development;

(e) Prospects opened to LDCs considering the substantive outcomes of the major United Nations conferences, notably the United Nations Conference on the Environment and Development (1992), the 1994 International Conference on Population and Development, the World Summit for Social Development (1995) and the fourth World Conference on Women (September 1995);

(f) The coming into force of the World Trade Organization and the implications for LDCs trading opportunities.

14. The Sub-Committee noted the need for domestic resource mobilization including the importance of optimality in resource use. In addition, the need for comprehensive poverty alleviation strategies in rural areas was stressed. A fundamental prerequisite in alleviating poverty is the empowerment of the poor in the African LDCs through a massive investment in physical infrastructure (appropriate transport network that have at their core rural roads, especially farm-to-market, rural electrification, telecommunication facilities and clean piped water) and social infrastructural development in education (particularly basic education with emphasis on vocational and other skills training) and health (rural health clinics). The urgent need to provide credit to rural communities to uplift their lot was also emphasized.

15. The Sub-Committee noted with satisfaction the relevance of the analysis and the comprehensive scope of the document together with its abundance of statistical references.

16. The Sub-Committee submitted to the Conference of Ministers the draft Special Memorandum on the Global Mid-term Review of the Implementation of the Programme of Action for the Least Developed Countries for the 1990s and a draft resolution.

17. The Sub-Committee requested the Conference to take note of its report.

3. Urges subregional economic communities to review trade arrangements of countries within their subregions with a view to recommending removal of restrictive food and agriculture trade practices, especially those affecting cross-border trade;
4. Requests the Commission and the Food and Agriculture Organization to strengthen programmes designed to promote food security and self-sufficiency in the region as a whole and within each subregion;
5. Appeals to the international community to adopt measures to cushion the impact of agricultural commodity trade liberalization under the Uruguay Round on Africa's food and agriculture sector;
6. Requests the Executive Secretary of the Commission to report on the implementation of this resolution to the next Conference of Ministers.

DRAFT RESOLUTION 14

Food security and self-sufficiency in Africa¹

The Conference of Ministers,

Having examined the report on the situation of food and agriculture production, especially in the context of food security and self-sufficiency in Africa,

Aware of the importance of food security and self-sufficiency to the realization of sustained socio-economic growth and development in Africa,

Deeply concerned at the continuing deterioration of the food and agriculture situation in Africa over the past few years, which has been compounded by unfavourable conditions and civil unrest in some parts of the region,

Recalling the United Nations New Agenda for the Development of Africa in the 1990s, adopted by the General Assembly in 1991, which accords a high priority to the food and agriculture sector,

Convinced of the need to ensure the food requirements of the region through the adoption of concrete measures aimed at improving food and agriculture production,

1. Calls upon member States to create a conducive macroeconomic environment for the enhancement of all required capacities for food and agriculture production, especially in the areas of human, institutional and infrastructural capacities;

2. Also calls upon the Executive Secretary of the Commission, in cooperation with the Director General of the Food and Agriculture Organization of the United Nations, to evolve a comprehensive strategy to include land-use policies, access to modern inputs, management of natural resources and the environment, issues relating to an enhanced private sector participation, measures to promote agricultural trade and reduce food losses;

¹ This draft resolution is submitted the Conference at the request of TEPCOW.