

ECA – CEA



**Economic Commission for Africa  
Commission économique pour l'Afrique**

### MISSION REPORT

<b>STAFF MEMBER ON MISSION:</b>	Matemu Wa Mundangu, RCID
<b>PURPOSE OF MISSION:</b>	Hold consultation with AATPO Secretariat, Morocco Authorities, Representatives of Business Community in Morocco and Afrexim Bank in Cairo, on ways and means of revitalizing AATPO
<b>VENUE:</b>	Tangier, Casablanca, Rabat in Morocco; Cairo in Egypt
<b>MISSION DATES:</b>	13 - 25 April 1998
<b>CITATION OR ACTIVITY:</b>	<i>International Cooperation and Integration: Technical Assistance, upon request of RECs and IGOs and ECA-Sponsored Institutions</i>



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## I. INTRODUCTION

### 1. Background and Justification

The mission although planned within the process of rationalization of ECA-sponsored Institutions, was prompted by the request made by the Secretary General of AATPO in his letter dated 13 March to the ECA Executive Secretary, calling his attention to the critical financial situation faced by the Association, resulting from non-payment of contributions by member States. For the last five years, the bulk of AATPO Secretariat expenses has been born by few member States: Morocco(host country), Nigeria(providing the Secretary general),Libya(providing the Administrative & finance Officer), Kenya and Zambia.

The situation was further compounded by the withdrawal since 1988, of ten member States: Burundi(1992), Cameroon(1995), Central African Republic(1988), Egypt(1989), Ethiopia(1989), Ghana(1997), Niger(1988), Senegal(1988), Togo(1991) and Tunisia (1990).

The Secretary General of AATPO was requesting the ECA Executive Secretary- in compliance with resolution 827(XXXII) of the ECA Conference of Ministers on rationalization of ECA-Sponsored Institutions- to set a date for the convening of the joint meeting of AATPO and FACC Boards, to decide on their eventual merger.

At about the same time (March 1998), the Ambassador of Morocco to Ethiopia, contacted the Chief of RCID and conveyed the concern of his government about the plight of AATPO and the need for quick action on the part of ECA.

### 2. Objectives of Mission

The objectives of the mission were :

i) To ascertain the evolution of the situation of the Association since the last meeting of its general Assembly and Bureau in July 1997, which set up a Committee of Ambassadors to approach member States in order for them to pay their contributions and to discuss new strategies to revitalize the Association.

ii) To contact representatives of the business community in order to develop new partnership and to secure their involvement in the preparation, implementation and funding of AATPO's activities;

iii) To listen to the concerns and views expressed by the host country's Authorities on the present situation and the future of AATPO.

## II- ACCOUNT OF PROCEEDINGS

### 1. Situation of AATPO since last Meeting of its General Assembly and Bureau in July 1997.

As stated above, A Committee of Ambassadors accredited to the Kingdom of Morocco was established by the General Assembly at its Meeting of 6-7 July 1997 with the mandate of contacting member States for them to pay their assessed contributions and discuss new strategies to revitalize the Association. The Committee is composed of Ambassadors of Nigeria(President), Gabon, Sudan and Morocco.

In spite of its request, the mission was not in a position to meet the Committee of Ambassadors either collectively or individually. The reason, according to the ATTPO's

Secretary General, was that since the Committee has completed its mandate and submitted its report to member States, it's President did not see the need to discuss with the mission, at this juncture.

#### i) Payment of contributions

The mission was informed by the Secretary General of AATPO that no progress has been made with regards to the payment of contributions by member States. The Secretary General has received promise of payment from Nigeria and Morocco, the host country. He has also contacted UNDP New-York in order to secure funding for AATPO activities. But so far nothing has materialized to the extent that the financial situation of the Association has worsened. Salaries of staff are overdue and non-payment of communication(telephone, fax) expenses is hampering the day-to-day operations of the Association. The situation may improve if Nigeria and Morocco pay their contributions. It is worth noting that for the first time, Morocco, the host country, did pay its contributions for 1996 and 1997. However, when the mission met with the Director of multilateral Cooperation (see below) it was informed that action has already been initiated to pay at least the 1997 contribution (around US\$100,000), to enable AATPO Secretariat to pay salaries of the staff and communications bill.

#### ii) New Strategies

The Committee of Ambassadors, in its report, endorsed the proposals contained in ECA Resolution 827(XXXII) on the rationalization and harmonization of ECA-sponsored Institutions; in particular the merger of AATPO with FACC and calls on the new institution to worked closely with WTO, among other things.

### 2. Development of Partnership with the Private Sector and Financial Institutions

#### i) Private Sector

The mission discussed with both the Chamber of Commerce and the Morocco Centre for Export Promotion (CMPE), in Casablanca, with a view to forge new relationship and involve the private sector in the activities of the AATPO.

Discussions with Mr. Mohamed Essaadi, President of the Committee on International Relations, Partnership & Investments in the Casablanca Chamber of Commerce, revealed that, in spite of AATPO having its HQRS in Tangier, few contacts have taken place between the Chamber and the Association. The mission was informed that the Chambers has established strong partnership with the World Bank, the European Union and its Investment Bank (EIB) and also with ADB. However the Chamber would consider favourably the signing of a cooperation agreement with the new institution to be created from the merger of AATPO and FACC, with a view to exchanging experience and information. It would also welcome any move to bring the Headquarters of the Association to Casablanca for a better exposure to the business community.

With Mr. Ali El Alaoui, Secretary General of the CMPE, the situation was the same concerning the relationship with AATPO. The mission was informed of activities undertaken by the Centre to promote Moroccan exports with particular attention being paid to the African continent. The Centre's four main areas of concentration are: agro-industries, textile and leather, mechanical engineering, chemistry and construction industries.

The Centre has an annual budget of 35 million DH (about US\$3 million) and employed about 100 staff out of whom 50 per cent were professionals. It has over the years, established strong partnership with UNCTAD/ITC, UNIDO and UNDP and has achieved a lot in promoting export of Moroccan products abroad. Exchange of information with AATPO will be most welcome.

As a matter of official national policy, both the Chamber of Commerce and the Export Promotion Centre are concentrating their efforts to promote trade with other African countries, particularly, those south of the Sahara and concrete measures have been already initiated (for example the increase of flights by Royal Air Maroc (the National Carrier)).

ii) Financial Institutions: Afrexim Bank

At this first stage contacts with financial institutions were limited to the African Export-Import Bank (AfreximBank), in view of its continental dimension and the similarity of its mandate with regard to exports promotion. Discussion held in Cairo with Afrexim Bank, revealed that the Bank's primarily focus is in the financing of external trade operations (imports as well as exports). At this juncture any involvement with AATPO would require the explicit approval of its Board of Directors and will be limited to well defined activities. And since the Board meets in May any feasible

proposal (if any) could only be envisaged for the next year's Session (1999) of the Board.

### 3. Position of Moroccan Authorities

The mission met with Ms. Farida JAIDI, Director of Multilateral Cooperation at the Ministry of Foreign Affairs and Cooperation in Rabat. During the discussion the mission was informed that the Ministry of External Trade which oversees the activities of AATPO will not meet the mission because it has made its position clear enough: that AATPO has failed to fulfil its mandate of assisting member States in promoting their trade in general and intra-African trade in particular.

The Ministry of Foreign Affairs considers non-payment of contributions and the withdrawal of member States from AAPTPO as a strong indication that they have lost interest in the activities of the Association. She also questioned the performance of AATPO in terms of outputs, in view of its limited professional staff (one consultant in addition to the Secretary general). Furthermore, she expressed her doubt about the merger of two non-performing institutions (AATPO ad FACC) to produce a healthy institution.

For all these reasons, the Official position of the Moroccan Authorities as conveyed by the Ministry of Foreign Affairs is that ECA should call a meeting of Plenipotentiaries (Delegates duly mandated by their respective member States to take decisions) to decide on the future of AATPO and the meeting should take place before the next Session of the General Assembly and Bureau of AATPO. In order to ensure that the quorum is attained, it was suggested to hold this meeting on the occasion of the meeting of the Committee on Regional Cooperation and Integration (which has now replaced the Conference of African Ministers responsible for trade, regional cooperation and integration and tourism).

### 4. Conclusions and recommendations

From discussion held with all interested parties, it obvious that:

i) The financial situation of AATPO has not improved, in spite of the setting-up of the Committee of Ambassadors by the General Assembly, at its last meeting, in July 1997 and this, directly affects the activities of the Association.

ii) The host government has made it clear that he is not satisfied with the performance of the Association and requested ECA to call a meeting of Plenipotentiaries from member States to decide on the future of the Association.

iii) Representatives of the business community (Casablanca Chamber of Commerce, Morocco Export Promotion Centre) were not very

much impressed by the performance of AATPO as their institutions have established strong and long lasting partnership with international organizations (WB, ITC, EU etc...) and prospects for financial contributions of these institutions to AATPO are poor. The AfreximBank on the other hand has not committed itself to bailing out (financially), the Association.

In view of the above ECA should pursue the following course of action:

i) Inform members of the AATPO Bureau (Gabon, Nigeria, Sudan, Morocco), of the Morocco proposal to hold a meeting of Plenipotentiaries, to decide on the future of the Association and seek they views;

ii) Approach member States of the Bureau of the Federation of African Chambers of Commerce(FACC) : Egypt (Chairman), Cameroon (1st Vice-chairman), Zimbabwe (2nd Vice-Chairman), Burkina-Faso (3rd Vice-Chairman), Ethiopia (4th Vice-Chairman), in order to assess their position with regard to the merger proposal;

iii) Endeavour to hold three meetings: two of AATPO and FACC Plenipotentiaries and the joint meeting of the two Bureaux during the Session of the Committee on Regional Cooperation and Integration in November 1998.

iv) In this connection , activities related to the above, including the participation of Plenipotentiaries to the meetings referred to above could be financed from the "FACC Trust Fund".

Annex

List of People Met by the Mission

1. Tangier: Prof. Adenyinka ORIMALADE,  
Secretary General AATPO
2. Casablanca: - Mr. Mohamed ASSAADI, President  
Committee for International Relations,  
Partnership & Investments  
Casablanca Chamber of Commerce  
- Mr. Ali El ALAOUI, Secretary General  
Morocco Centre of Export Promotion
3. Rabat : Ms. Farida JAIDI, Director  
Multilateral Cooperation  
Ministry of Foreign Affairs and  
Cooperation
4. Cairo : Mr. Jean Louis EKRA,  
Executive Vice- President  
AfreximBank