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REPORT OF THE DIRECTOR ON THE IMPLEMENTATION OF THE
WORK PROGRAMME AND PRIORITIES FOR 1996

ECA

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I. BACKGROUND

1. The implementation of the 1996 Gisenyi MULPOC's work programme is an integrated part of subprogramme entitled: Promoting Regional Cooperation and Integration. This programme was financed by the ECA regular budget, supplemented by the United Nations Trust Fund for African Development (UNTFAD).

2. The implementation of this 1996 work programme of the Gisenyi MULPOC coincided with the ongoing reform process of ECA programme of work and restructuring of the Commission as requested by the 1995 United Nations General Assembly and 1996 Conference of Ministers of the Commission.

3. The reform process has been marked by extensive consultations, beginning with the staff of the secretariat of the Commission, then with high level African experts and followed by the Commission's principal partners: Representatives of United Nations agencies, Bilateral donors and private international foundations. After this consultation, it was then decided to reduce the number of ECA subprogrammes from nine to five. The five revised subprogramme are: (a) Facilitating economic and social policy analysis, (b) Ensuring food security and sustainable development; (c) Strengthening development management, (d) Harnessing information for development and (e) Promoting Regional cooperation and integration.

4. At the level of the ECA Multinational Programming Operational Centre (MULPOC), its programme is composed of the following priorities: (a) providing technical support to and cooperation with the regional economic communities; (b) Facilitating networking and information exchange between governments, civil society and private sector at the MULPOC level; (c) Providing and coordinating services for operational programmes of the United Nations and specialized agencies, in collaboration with UNDP and UN Resident Coordination System at the national level.

5. During this fourth meeting of the Intergovernmental Committee of Experts, a number of important studies undertaken by the MULPOC on agriculture, industry, transport, and women in development including recent socio-economic developments within the Eastern Africa subregion, will be presented for discussions and comments.

II. GENERAL ACTIVITIES

6. The implemented 1996 work programme of the Gisenyi MULPOC comprises the following general activities:

- a) Assessment of socio-economic conditions in the Eastern Africa subregion;
- b) Harmonization and rationalization of economic cooperation and integration programme of the Eastern Africa subregion;
- c) Triangular Consultative meeting-economic operators/investors/NGOs- on integration projects of the Great Lakes subregion;

7. Our Centre carried out an assessment of socio-economic conditions in the Eastern Africa subregion. From this assessment, we learn that the recent economic and social accomplishments are strongly related to three main explanatory factors: (i) the domestic reform efforts, now common in the subregion, especially for the principal economic sector of agriculture; (ii) the situation of the natural driven conditions: good weather and the absence of pest infestations; and (iii) the availability of markets for local products at prices that support continued profitable production. These set of factors have proven more salient than the traditional ties to the economic changes in Europe or the countries of the OECD where economic growth has been slow. The variation also comes at a time when the world is witnessing what has now come to be termed "donor fatigue". Consequently, agricultural production and self-food sufficiency ratio have grown, in many countries. Foreign exchange reserves and export earnings remain fairly healthy. The indications are that the social situation stands the chance of improving. Although foreign investment, has dwindled in

some of the countries others remained modest. If anything, the opening up of the former socialist economies of Eastern Europe had meant that there are now more countries scouting for the dwindling foreign direct investments and donor assistance, in all their forms.

8. Also, as the developing nations of Asia have come to prove, investments do not go to the countries that need them the most, rather they go to the countries that use them most productively. If thus GDPs are anything to go by, in evaluating productivity, one can confidently say that progress is on the horizon. In almost all the countries of the subregion, even those where economic activities had been studded by tribal conflicts and retaliatory massacres and wars yet, economic and social indicators are a little better than they were three years ago.

9. Under the reform efforts, the private sector and the competitive mechanism now play a more pivotal role in economic development. This accounted for a major part of the progress now being witnessed in all the economic sectors. It is equally an important factor that could help bring the countries closer to the conditions that would lead to enhanced economic cooperation and the physical integration of the entire region, as has been proclaimed by the Lagos Plan of Action and the recently ratified African Economic Community Treaty.

10. These reforms may, one day, provide the answer to the conflicts, by the various warring groups, who fight over the control, usage and ownership of large portions of national wealth which had, up to this moment, been publicly owned and mostly controlled by a few individuals under totalitarian rules rather than by democratically elected authorities.

11. The question of what to develop, when to develop them and how to proceed could truly be crucial to whether the aims are achieved. This explains the thinking that went into the priority order of the following recommendations: (a) statistics and data management are essential components for proper and accountable economic management. They guide governments, businesses and individuals to take the right decisions. It therefore follows that only through accurate data of our systems and economies that there can be a meaningful and

balanced redefinition of the future direction of our societies. Countries should therefore aim at producing detailed and quality statistical data on their economies through increased resource allocations to data collection, analysis and management; (b) Agriculture interact with manufacturing, services, trade and income at virtually all stages of economic development. Attention should therefore be focused on managing the economy in all inter-connected way. Essential part of reform must be to maintain capital markets - specifically the process of establishing and managing investment vehicles such as unit trusts; (c) The combination of conditions for trade and cooperation to bolster in the Eastern Africa subregion will depend on the respective players. The ability to create opportunities for the economic sectors to experiment in the development of new and diverse products methods and manufactures, and modes of enterprise organization; (d) Enrolling the numerous civil wars and re-organizing of agro-based population will be a fantastic undertaking; (e) government should look deeper into the increasing disparity between the urban dwellers and the rural population with emphasis on the need to induce a balanced pattern of rural-urban development. The report on assessment of socio-economic conditions in the Eastern Africa subregion is submitted to the present session for review.

12. As you are aware, a number of regional economic communities and intergovernmental organizations are located in the Eastern Africa subregion.

13. East African countries, like many others on the continent, have been involved, for over a decade, in an economic and cooperation motive force, illustrated, particularly, by the existence of several subregional and regional institutions, designed as the framework and instruments for implementing of common development policies.

14. While Article 1 of the Abuja Treaty defines "the subregion as a group of at least three States of the same or several regions", the region, as an integration space is understood in reference to Resolution CM/Res.464 (XXVI) of the OAU Council of Ministers which enshrined the division of Africa into five distinct regions. This configuration reveals that the East Africa "region" would cover the United Republic of Tanzania, Kenya, Uganda,

Somalia, Ethiopia, Djibouti, the Seychelles, Mauritius, Madagascar, the Comoros and Eritrea.

15. In another development, it is necessary to underscore that the Rwanda-Burundi-Zaire subregion, formally integrated in the Central Africa space by the above-mentioned resolution is, de facto, also part of the East Africa region, given the spaces covered by the IGOs in which the said States participate. As a matter of fact, three of them are full members of the Common Market of Eastern and Southern Africa (COMESA) and the Northern Corridor Transit Transport Coordination Authority (TTCA); Rwanda and Burundi are also members of the Kagera Basin Organization (KBO) and participate as observers in the meetings of the Intergovernmental Authority on Development (IGAD). From the economic viewpoint, it will be noted that most of the foreign trade of Rwanda, Burundi and certain areas of Eastern Zaïre is done through the Kenyan and Tanzania ports of Mombassa and Dar Es Salaam on the Indian Ocean. The major roads and the migration of the people of these countries and regions, are therefore principally geared towards other East African countries, which justifies the inclusion of the space of the Economic Community of the Great Lakes Countries (CEPGL).

16. The strengthening of regional economic communities (REC), the major task of the continent's integration process activators, presupposes the provision of radical and permanent solutions to the two main problems confronting them namely, the integration of financing and the multiplicity of IGOs operating in each regional space. These various parameters highlight the relevance of and the urgent need for the rationalization and harmonization of the activities and programmes of East Africa IGOs, in order to overcome the numerous challenges posed by such an economic environment and to face-up to the commitments made by the States through the signing and ratification of the Abuja Treaty.

17. The immediate objective of rationalization is to eliminate or reduce the negative aspects of the multiplicity of institutional frameworks for subregional cooperation. At the medium-term, the objective will be to situate all East African IGOs and their integration plans in the realism and orientation defined in the Abuja Treaty. Concretely speaking, it will

be necessary that two or more IGOs involved in the same States, stop doing the same things at the same time.

18. Rationalization and harmonization must therefore be translated, whenever possible, into the division of responsibilities or into common or joint programmes in which the role and contribution of each IGO would be clearly defined.

19. The report on the harmonization and rationalization of economic cooperation and integration programme of the Eastern Africa Subregion which contains the proposed approaches and actions is submitted to the present session for review.

20. The tripartite consultative meeting was organized in Kinshassa (Zaire) in September 1996, as part of efforts of our Centre to enhance the process of liberalization and integration of the economies of the countries of the Great Lakes region through concrete projects. The consultative meeting considered the subregional integration projects, national projects and projects related to women development.

21. The Tripartite Consultative meeting noted the results and proceeded to the endorsement of the report and two draft recommendations, one concerning the annual convening of the subregional and regional consultative seminars between the main developments players, and the other pertaining to the organization of a round table drawing together European and African non-governmental organizations.

22. The report on the meeting of the Tripartite Consultative meeting, which contains the subregional integration and national projects and two recommendations is submitted to the present sessions for review.

23. As can be seen, the three general activities featured in the work programme for 1996 were executed.

III. SECTORAL ACTIVITIES

3.1. Food and agriculture

Study on post harvest losses in the Eastern Africa Subregion

24. Post-harvest food losses in Eastern African countries which could often range between two and five per cent, and storage conditions and location, can no longer be ignored by the leaders of these countries which are daily confronted with problems of severe hunger and malnutrition. Global increased food production is, naturally, the objective of the food security strategy. However, it is important to preserve and protect food production, considering that a substantial part of it is lost through the various stages from production up to distribution.

25. The main food crops cultivated in this East African subregion are, cereals such as maize, wheat, sorghum, rice and millet, tubers and root crops such as cassava, sweet potatoes, potatoes and yams; legumes such as beans; vegetables; oil seeds such as soya beans, groundnuts, cotton seeds and palm nuts as well as fruits essentially bananas. Export food crops are also cultivated viz; coffee tea and sugar cane. Stock farming is also practiced mostly, goats, sheep and pigs; and finally, poultry and bees.

26. The traditional production systems mainly characterize food production in the East African subregion. However, irrigated crops benefit from modern cultivation systems, including a certain number of other crops grown in a few countries. This characteristic is found in most countries, in particular, through a high percentage of the population involved in the agricultural sector which stood at 73.6% for the subregion as against 43.4% at the international level. Thus, in this subregion, agriculture is more for subsistence purposes than for marketing even though there is intense agriculture practiced in certain countries.

27. Food losses due to the proper systems for the storage, processing and handling of food production at several levels are frequent. The problem of improving the food in-take of the population in the subregion, is a major concern to the public authorities as it is also for the ever increasing population. The programme and actions to be implemented should, however, encourage the search for the comparative advantage of national production in relation to that of neighbouring countries. Furthermore, in certain countries of the subregion, there is an urgent need to improve the conditions of peace and security at the national level in order to enable the local population and structures to resume normal food and agricultural production activities.

28. Increasing and protecting of food production for human consumption and well-being of the peoples against infestations by different depredators while improving the local methods and systems as well as the preservation and transformation of food production constitutes a major priority for the countries of the subregion.

29. The increase in overall agricultural productivity, seems to be the major preoccupation not only for the export of crops whose earnings could be used particularly to buy foodstuffs but also for domestic crops designed to consolidate domestic food security. However, some bottlenecks are currently being noted in the process to increase food production, or to stem the worsening food security in certain countries of the subregion. It is important that the countries of the East African subregion should put in place new strategies which would at the same time, increase food and agricultural production, reduce poverty and ensure the conservation and protection of natural resources. These strategies should enable these countries to implement concrete and integrated programmes and actions in order to attain food security as well as sustained and sustainable development in the subregion.

30. This study report is to be reviewed by the present meeting.

3.2 Industry

Small-scale food processing technologies and their use in rural areas of the Eastern Africa subregion

31. The countries of the Eastern Africa subregion having recognized the importance of the food processing, are focusing their efforts on the promotion of food processing technologies by improving the existing food products within the subregion. The preservation of legumes, fruits, grains and other products is difficult owing the fact that the harvest products are often attacked by insects or simply rot. In the absence of storage facilities, processing and packaging system, the entire harvest runs the risk of perishing. The increasing efforts are being made to utilize processing technologies for the production or increased production of whatever commodity that might help the populations of Eastern Africa subregion substitute their usual eating habits with a lighter, healthy and balanced diet based on various types of locally produced edible oils, fish and honey.

32. The small-scale and food processing units in the rural areas have not, in general benefitted much from governmental support. There are many reasons for this neglect. The main ones include the relative isolation of the small-scale food processing activities, resistance to the introduction of new technologies, lack of qualified manpower to operate the modern small-scale food processing technology, lack of financial assistance and doubts on the economic viability of small-scale food processing units in the rural areas, etc... These reasons may not, however, justify such neglect as they also apply to other sectors of the economy such as agriculture which have benefitted often from extensive governmental assistance. Cooperatives play an important role in the multiple stages of the agricultural business system, from production to terminal market points.

33. As a strategical structure, cooperatives should be placed at rural areas, thus emphasizing their eligibility to be developed as focal organizations for rural development.

34. In the small-scale food processing subsector, edible oil and fish cooperatives should be established in order to share in their respective markets. The traditional small-scale oil processing activities are popular in the rural areas of the Eastern Africa subregion. About 80% of edible oil produced traditionally are consumed for cooking. In order to improve the small-scale food processing activities, it is recommended to establish the following cooperative structures in the rural areas of the Eastern Africa subregion: Cooperative storage and marketing structure, consumer and training cooperative structure.

35. The availability of skilled labour often constitutes a constraint to the establishment of a small-scale modern food processing units in the rural areas of the countries of the Eastern Africa subregion. Therefore, it is strongly recommended to provide and extend the training facilities that would enable the small-scale food producers to keep up and develop their production efficiently as well as their productivities in the rural areas.

36. When selections are made concerning raw materials for food processing activities, transportation and distribution of food products, etc... environmental problems should be taken into account before they arise. Such an approach most effectively addresses the waste of food products and thus, adverse environmental impacts are minimized in the rural areas.

37. This publication of the small-scale food processing technologies and their use in rural areas of Eastern Africa subregion is intended to provide technical and economic information on the basic elements involved in the processing of four selected major food products (edible oil-, fish, bread and honey) which enjoy wide consumption and circulation within the country.

3.3 Transport and Communications

Report on development of river and lake transport in Eastern Africa subregion

38. The Lakes Kivu, Tanganyika and Victoria in the Great Lakes subregion constitute very strategic infrastructures as far as inland waterways are concerned. The priority concern

reflected in national and community programmes relating to the transport and communication sector aimed at opening up Great Lakes countries internally and outside the continent. In this subregion, Zaïre is semi-landlocked. However, the Eastern part, Burundi, Rwanda and Uganda, areas directly concerned with navigation on Lakes Kivu, Tanganyika and Victoria, are completely Landlocked. The waterways of these three lakes play a vital role in the opening up of this part of the Community. In order to ensure that the vast expanses of Lakes Kivu and Tanganyika do not constitute obstacles to inter-community trade, their waterways should respond to the requirements of effective navigation. With regard to the project for the creation of a joint transport venture on the Lakes Kivu and Tanganyika interested operators need to be identified and provided with a forum for sharing ideas on the project and discussing how it might practically be implemented. As for the development of transport on Lake Victoria, it is recommended to establish a development and regulations body to be known as the Lake Victoria Authority. The study discusses series of feasible issues that would facilitate the implementation of cooperation project on the Lakes Kivu and Tanganyika, and the establishment of Lake Victoria Authority within the acceptable time-frame and resources. The report on the study is submitted to the present meeting for review.

IV. INTEGRATION OF WOMEN IN DEVELOPMENT

Report on the publication of Bulletin No. 1 "Women and Development" in Eastern Africa subregion

39. This first issue is devoted to the contribution of women to the socio-economic development in the subregion. The publication reviews the follow-up activities of the Fourth World Conference on Women held in Beijing (China) from 14 to 15 September 1995. The implementation of the Dakar and Beijing plan of action comprises the following activities: (a) organization of the experts meeting of the Bureau of the Fifth African regional Conference on women held in Addis Ababa March 1996; (b) Consideration of the report on the follow-up of the Fourth World Conference during the CRAC meeting held in Addis Ababa in April 1996; (c) Sub-regional meeting of the members of CRAC held in Lusaka in July 1996; and (d) Consultative meeting on the forum of the first expert meeting. The

bulletin presents also briefly the current situation on the creation of the African Development Bank for women. This bulletin is submitted to the present meeting by way of information.

V. INFORMATION NOTE ON ACTIVITIES OF THE ECA SUBSTANTIVE DIVISIONS IN THE EASTERN AFRICA SUBREGION

- (a) Follow-up to the Fourth World Conference on Women:
 - (i) Report on the Ad-hoc experts group meeting on "Leadership Forum on Women and Peace".
 - (ii) Report on the ad-hoc experts group meeting on "Pan-Africa Conference on Peace".
- (b) New Strategic Directions of ECA
- (c) MULPOCs: strengthening ECA's Sub-Regional Presence (Note by the ECA Secretariat)
- (d) African Information Society Initiative (AISII) - An action framework to build Africa's information and communication infrastructure.

VI. WORK PROGRAMME AND PRIORITIES FOR 1997

40. A significant aspect of the programme is international cooperation within and outside the subregion. Essentially this calls for keeping abreast with major development issues, and respective major development actors; with a view to enhancing ECA's coordinating role in facilitating networking and information exchange; pursuing collective approaches intended for tackling common development issues.

41. In the framework of ECA's renewal programme, adopted by the Conference of Ministers in May 1996, MULPOCs have a pivotal role in rendering more effective services to member States in the emerging challenges of the twenty first century. In order to reflect the various programme functions, it is proposed to rename MULPOCs, subregional development Centre - SRDC. In this connection, the creation of an Eastern Africa Subregional Development Centre is proposed, in order to enhance programme delivery taking advantage of proximity to the majority of member States. The promotion of economic integration of the Eastern Africa subregion focuses jointly on the following: (a) the transport problems facing the countries of the subregion especially the landlocked countries; (b) exploration and exploitation of energy, mineral and water resources; (c) developing and strengthening of the private sector; (d) improvement of health and other services; (e) participation of women in development; (f) agriculture and food security, (g) economic policy reform, (h) peace and stability (i) environment; (j) tourism etc...

42. The main objective of the Eastern Africa Subregion programme, therefore, is to identify the major priority development areas, together with the respective actors in those areas and provide effective relevant technical support and act as a catalyst in the process of promoting regional cooperation and integration.

43. The draft programme and priorities is submitted to the present meeting for review.

VII. PREPARATION FOR THE EIGHTEENTH MEETING OF THE TECHNICAL PREPARATORY COMMITTEE OF THE WHOLE TEPACOW/TWENTY-THIRD MEETING OF THE CONFERENCE OF MINISTERS RESPONSIBLE FOR ECONOMIC DEVELOPMENT AND PLANNING

44. Accelerating Trade and Investment in Africa constitutes the main theme of the Conference of Ministers. This theme reflects the recognition that the efforts of African countries at sustained economic growth and accelerated development would benefit from increased private foreign investment which enlarges Africa's access to international market, technology transfer and managerial expertise, and from expanded trade opportunities which

enhance their exports. The Ministers will review several relevant important events that occurred in 1996 including international Conference on Reviving Private Investment in Africa and the first Ministerial meeting of the World Trade Organization. The Conference of Ministers will consider a special presentations and a senior policy symposium on the development of information and communications technology as they relate to trade and investment in Africa. The forthcoming session will also consider the recommendations on the reform and renewal of the intergovernmental machinery of the Commission, the network of specialized regional technical institutions and centers, and ECA's Multinational Programming and operational Centres (MULPOCs). The work programme and priorities of the Commission for the 1998-1999 biennium will be presented to the conference for consideration and endorsement.

45. The meeting of the Technical Preparatory Committee of the Whole (TEPCOW) will consider all issues cited above and prepare recommendations that will be submitted for the consideration of the Ministers.