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**REPORT OF THE TENTH MEETING OF THE CONFERENCE
OF AFRICAN MINISTERS OF INDUSTRY**

INTRODUCTION

1. The tenth meeting of the Conference of African Ministers of Industry (CAMI), jointly organized by the United Nations Economic Commission for Africa (ECA) and the United Nations Industrial Development Organization (UNIDO), in co-operation with the Government of the Republic of Senegal, was held in Dakar, Senegal, from 29 to 31 July 1991.

2. The main objective of the meeting was to review, on the basis of the report of the preceding meeting of the Intergovernmental Committee of Experts of the Whole on Industrialization in Africa, the progress made towards the industrialization of African countries. Particular emphasis was placed on the examination and adoption of the programme for the Second Industrial Development Decade for Africa (IDDA) and the elaboration and adoption of an African common position for the fourth session of the General Conference of UNIDO. In addition, the meeting considered the draft "Dakar Declaration on Industrialization and Economic Integration in Africa", prepared by the meeting of the Intergovernmental Committee of Experts. The Ministers also examined the proposals made by the Intergovernmental Committee of Experts and made a number of recommendations on measures to be taken by Member States, intergovernmental organizations and the international community for accelerating the process of industrialization in the region.

I. PARTICIPATION

3. (a) The following countries were represented at the Conference: Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Congo, Côte d'Ivoire, Egypt, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Libyan Arab Jamahiriya, Malawi, Mali, Mauritius, Morocco, Mozambique, Niger, Nigeria, Senegal, Sudan, Swaziland, Togo, Tunisia, Uganda, United Republic of Tanzania, Zambia, Zaire, and Zimbabwe.
- (b) Portugal, as a member of UNIDO, was represented as observer.
- (c) Representatives of the following organs and specialized agencies of the United Nations system also participated in the meeting: Food and Agriculture Organization of the United Nations (FAO), International Civil Aviation Organization (ICAO), International Labour Organisation (ILO), International Telecommunication Union (ITU), United Nations Development Programme (UNDP) and the World Bank.
- (d) The African Development Bank (ADB) and the Organization of African Unity (OAU) were also represented.
- (e) The meeting was also attended by representatives from the following agencies, intergovernmental and non-governmental organizations: African Institute for Higher Technical Training and Research (AIHTTR), African Intellectual Property Organization (AIPO), African Regional Centre for Engineering Design and Manufacturing (ARCEDEM), African Regional Centre for Technology (ARCT), African Regional Organization for Standardization (ARSO), the Commonwealth Secretariat, Community of West African States (CEAO), Economic Community of West African States (ECOWAS), Economic Community of Central African States (ECCAS), Institute for Economic Development and Planning (IDEP), and the National Board for Small-scale Industries (Ghana).

II. Agenda item 1: OPENING OF THE MEETING

4. In welcoming the Prime Minister of Senegal, His Excellency, Mr. Habib Thiam, to the tenth meeting of the Conference of African Ministers of Industry, the Minister of Industry, Commerce and Handicrafts of Senegal, His Excellency, Mr. Alassane Dialy Ndiaye, began the opening ceremony by underlining the high sense of responsibility of the President of Senegal in the cause of African unity and progress and the crucial role that African leaders had accorded to industry in the development process of the continent. He stated that African policy makers in industry had the prime duty of defining and preparing for the consideration of African Heads of State and government action programmes for the decade to come. He also referred to the important support role played by the secretariats of ECA, UNIDO and OAU.
5. In the framework of industrial development of Senegal, the Minister stated that the years 1981-1990 had witnessed important developments, including institutional changes in the national economy, the pursuance and deepening of democratization of development and the quest for African co-operation and integration. On the economic front, development policy had aimed at rectifying macro-economic imbalances and creating a basis for sound economic growth. On the political front, Senegal had opted for the establishment and consolidation of a pluralistic political system and respect for human rights.
6. The prevailing economic policy in Senegal involved the disengagement of the State from the productive sectors. Instead, the Government was vigorously promoting the role of the private sector in the national economy. In that respect, the Government had instituted various incentives to improve the economic environment for industrial enterprises and to assist them in the restructuring and reconstitution of a solid production base. The most recent measures in favour of the private sector dealt with the reduction of prices of industrial factor inputs as well as the promotion of a better institutional, fiscal and banking environment. He pointed out that those measures were promulgated by the Head of State and were pursued with commitment and vigilance by the Prime Minister.
7. The Minister of Industry, Commerce and Handicrafts stressed the fact that Senegal would strive to ensure its part in the efforts to realize programmes that Africa would formulate in the context of the Second IDDA. He further emphasized the absolute necessity of economic integration, given the fact that Africa had 14 land-locked countries, 13 countries with a surface area of less than 50,000 km² and 23 countries of fewer than five million inhabitants.
8. He concluded by noting that African countries had to optimize their industrial development potential by implementing inter-country and multinational industrial projects.
9. The outgoing Chairman of the ninth Conference of African Ministers of Industry, His Excellency, Mr. K.M. Kangai, extended thanks on behalf of all the Ministers to the Government and people of Senegal for their warm welcome.
10. Referring to the dramatic changes taking place in Africa and the rest of the world on the political and economic fronts, he highlighted some of the problems, as well as positive events, that had been experienced in Africa in the two years since the ninth meeting of CAMI. He mentioned especially the birth of the new nation of Namibia. Against that background, he pointed out that the general economic performance of African economies during that period had been poor, for reasons that were well-known, and that the current outlook remained bleak. He noted that many African countries were adopting adjustment programmes, and that their success would depend on the internal growth capacities of African countries. In that connection, he emphasized the importance of looking at Africa as a single economic

bloc and the crucial significance of the establishment of the African Economic Community by the Treaty that had been signed by the Heads of State and Government in Abuja, Nigeria, on 3 June 1991.

11. He continued by stressing that the industrial sector was central to Africa's development efforts, particularly because of its critical links with other sectors of the economy. He also noted the need for financial support from developed countries and multilateral agencies in order to develop the region's manufacturing capabilities. Turning to the environmental impact of industrial development and the stringent industrial pollution control measures being adopted by developed countries, he stressed the necessity for those countries to provide additional support to developing countries for financing such measures so that they would not become a total hindrance to industrialization, particularly in Africa.

12. The Minister recounted some of the major activities that had been undertaken since the ninth meeting of CAMI, namely those that had led to the proclamation of the Second IDDA by the United Nations General Assembly, the preparation of the national and subregional programmes for the Second Industrial Development Decade for Africa and the finalization of the zero draft programme by the Working Group of Governmental Experts (WGGE) for presentation to the Ministers at their tenth meeting for consideration and adoption. He concluded by thanking his colleagues in the Bureau of the ninth meeting of CAMI for their assistance and support and the Executive Secretary of ECA, the Director-General of UNIDO and the Secretary-General of the OAU as well as their staff for having implemented the decisions of the ninth CAMI.

13. Mr. Salif Ndiaye, Representative of the Director-General of the United Nations for Development and International Economic Co-operation welcomed all participants and expressed his gratitude to the Government of Senegal for having accepted to host the meeting. He expressed the regrets of the United Nations for the inability of the Economic Commission for Africa to organize the meeting at the date that had been previously planned because of unforeseen circumstances that had taken place in Addis Ababa. He stated that the meeting was being held at an opportune moment that would make it possible to focus on the role that regional co-operation had to play in Africa's industrialization process. He further said that it was being held at the threshold of the Second Industrial Development Decade for Africa, less than two months after the signing of the Treaty to establish the African Economic Community by the Heads of State and Government of the Organization of African Unity, in Abuja, Nigeria.

14. Recalling that the objectives of the First Decade had not been accomplished, he underscored the poor performance of the manufacturing sector, which had continued to be marginalized up to the end of the 1980s. The sector had also not played an important role in transforming African economies.

15. He stated that the various programmes such as Structural Adjustment Programmes (SAPs) adopted to tackle the socio-economic crisis in the 1980s, had not improved Africa's economic situation. Indeed, during the 1980s, Africa had lost a significant part of its industrial apparatus. By the end of the 1980s, the manufacturing sector was still marginal; industrial productivity was still low; the contribution of manufacturing to employment was small; and, the sector did not generate any significant surpluses to be reinvested. Further, the prospects for Africa's industrial development during the 1990s did not seem encouraging, unless African countries made deliberate and concerted individual and collective efforts to create a fresh thrust in the process of industrialization.

16. The factors that accounted for those trends included both internal and external ones. Some of the internal factors covered political instability in many African countries, natural disasters, low investment productivity and poor management of public industrial enterprises. External factors included, *inter alia*,

the slump in prices of primary commodities, increases in the cost of importing essential equipment and spare parts, a decline in external aid in real terms, and the heavy debt servicing burden.

17. The proclamation of the Second Industrial Development Decade for Africa by the United Nations General Assembly, in its resolution 44/237 of 22 December 1989, was an opportunity that Africa had to seize and exploit so as to face the challenge of development and industrialization. In that respect, it was encouraging to note that the preparation of the programme for the Second IDDA had taken account of a set of priorities and principles which were based on the experience of the First IDDA and on the afore-mentioned concerns. He outlined five fundamental principles which had to be taken into account, namely: (a) a human-centred industrialization process; (b) industrial development from the grassroots; (c) choice of an appropriate market strategy; (d) a realistic rehabilitation strategy; and, (e) regional co-operation and integration.

18. On the first principle, he reiterated the centrality of man as both participant and beneficiary of the production process. In that respect, Africa's training capabilities, particularly in the sciences, technology and management, had to be enhanced. On the approach to industrial development through participation at the grassroots, he stressed the importance of having development programmes that emanated from those who would be involved in their implementation. In that perspective, he also placed special emphasis on the role of women in development.

19. On the third principle of an appropriate market strategy, he warned that total trade liberalization might not be the best approach for Africa. A well-defined and selective regional protectionist policy might prove vital for the industrial take-off of the region. He warned, however, against any dogmatism on the issue. Regarding the principle of realistic rehabilitation, he noted the fact that many industries had been created without paying due attention to issues such as the availability of factors of production or market potential. That had led to a number of non-viable industries, a situation which required the adoption of appropriate rehabilitation criteria.

20. The fifth principle of regional co-operation and integration was imperative for industrialization. This was why, unlike in the First IDDA, the subregional and regional aspects formed a distinct part of the programme for the Second IDDA.

21. The representative of the Director-General of the United Nations for Development and International Economic Co-operation underscored once more the need to ensure the effective implementation of the programme for the Second IDDA, particularly through the establishment of national, subregional and regional follow-up mechanisms. He also underscored the important role that the Economic Commission for Africa, subregional, regional and international financing bodies, as well as other United Nations agencies had to play in the implementation of the programme. In conclusion, he expressed, on behalf of the Director General, his profound gratitude to His Excellency, President Abdou Diouf, the Government and people of Senegal for their generous and cordial hospitality and for the excellent facilities made available to all participants.

22. The OAU Assistant Secretary-General, Ambassador B. Dede, expressed, on behalf of the Secretary-General of the OAU, his sincere thanks and gratitude to His Excellency, President Abdou Diouf, the Government and people of Senegal for the warm hospitality and the excellent arrangements that had been made for the tenth meeting of the Conference of African Ministers of Industry.

23. He stressed the determination of Africa to change its future, as demonstrated by the historic event of 3 June 1991 when, at the twenty-seventh Summit of OAU, African leaders had signed a Treaty

establishing the African Economic Community. That event had been as significant as the signing of the Charter of the OAU on 25 May 1963.

24. He also underlined another factor that gave special significance to the timing of the tenth meeting, namely the adoption of the programme for the Second Industrial Development Decade for Africa (IDDA), which had been proclaimed by the United Nations General Assembly in 1989. In that regard, he stressed that the programme for the Second IDDA had to be seen as an African programme and added that its success would depend on Africa's determination to work for its full and effective implementation. In that perspective, Africa's commitment to the programme for the Second IDDA had to be total, politically and financially.

25. Against that background, he identified the following activities as imperative in the period following the adoption of the new programme: (a) a selection of two or three specific multinational core projects or programmes to be implemented as priorities; (b) encouragement of the African private sector, through appropriate incentives, to participate in the selected projects; and, (c) establishment of multinational joint ventures to execute the projects.

26. Focusing on the fourth session of the General Conference of UNIDO, to be held in November 1991, the Assistant Secretary-General of the OAU stressed that Africa, being the least industrialized among the developing regions, had a duty to ensure that the session of the General Conference of UNIDO would not merely continue the same debate as the Industrial Development Board. He added that Africa should also guard against the problem of "conference fatigue". It should rather make use of the fourth session of the General Conference of UNIDO as an opportunity for negotiating international support for its industrialization efforts and for increasing the capacity of UNIDO to respond to issues that are crucial for Africa, including the implementation of the programme for the Second IDDA, the establishment of a UNIDO regional office in Africa and the mobilization of adequate financial resources for Africa's industrial development.

27. Before concluding, the representative of OAU informed the meeting of the arrangements for the final review and appraisal of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 (UNPAAERD) and urged all African countries to participate in that important event. He also paid special tribute to Prof. Adebayo Adedeji, who was due to retire from the service of the United Nations, and to Mr. Domingo L. Siazon, Jr., the Director-General of UNIDO, and expressed his confidence that the close co-operation among the three secretariats would be maintained and strengthened in supporting the implementation the programme for the Second IDDA.

28. The Assistant Secretary-General of the OAU concluded his statement by calling on the tenth meeting of the Conference of African Ministers of Industry to adopt an historic declaration, the "Dakar Declaration on Industrialization and Economic Integration in Africa".

29. In his statement, Mr. Domingo L. Siazon, Jr., Director-General of UNIDO, expressed his gratitude to the Prime Minister, and through him to the President, Government and people of Senegal for the excellent facilities provided for the Conference. He also thanked the Intergovernmental Committee of Experts for its efforts during the preceding week in preparing the Conference.

30. The Director-General continued by underlining that the problems of Africa had not diminished during the very eventful 25 months that had elapsed since the ninth meeting of the Conference of African Ministers of Industry in Zimbabwe. While overall regional output had only grown by an estimated 2.6 per cent in 1990 compared to 3.3 per cent in 1989, the growth rate of the region's

manufacturing value added (MVA) had dropped from 3.3 per cent in 1988 to 2.9 per cent in 1989 and further to 1.6 per cent in 1990. At the same time, Africa's total external debt had continued to appreciate; at the end of 1990, it had been estimated to amount to US\$ 271.9 billion. African economies continued to rest on a weak industrial and productive base, with most countries in the region showing every sign of de-industrialization. No significant or sustained structural transformation had taken place, and the number of least developed countries in Africa stood at 29 out of a world total of 42 countries. In fact, the 1980s would enter history as the decade of disastrous retrogression, with the region emerging at the end of the period poorer than before.

31. The Director-General noted that the meeting was taking place at a critical juncture in the history of Africa; at a time when the profound changes sweeping across the globe posed manifold challenges. The emergence of new economic blocs and communities, the aftermath of the Gulf war and the shifts in Eastern and Central Europe, combined with a host of other well-known factors, compounded the region's difficulties. Ever-declining commodity prices, the untenable debt burden, the net decline in development aid and the decrease in capital flows had added to the scourge of mass poverty, inflation, unemployment, rural exodus and uncontrolled urbanization. Confronted by those challenges, Africa had no alternative but to rely on itself. The region's enormous potential and its wealth of human and natural resources were incomparable assets in its struggle for survival, development and the promotion of human welfare. The Director-General underlined that industry constituted a vital and unique component in that struggle and that the programme for the Second IDDA provided an appropriate framework and platform for ensuring its effective contribution to the future well-being of the region.

32. He recalled that the Conference was meeting some two months after the African Heads of State and Government had signed a treaty establishing the African Economic Community at their meeting in Abuja, Nigeria, noting that historic treaty accorded high priority to industrialization. He further pointed out that the programme for the Second IDDA was very much in line with the treaty's objective of economic integration at the national, subregional and regional levels. The strategic thrust of the programme also recognized the critically important role of agriculture and emphasized the need to strengthen the linkage between agriculture and industry. It focused further on industrial rehabilitation and the revitalization of public enterprises, while promoting African private entrepreneurship and supporting the informal, small- and medium-scale sectors. The emphasis was on market orientation, with particular weight being attached to economic integration at the subregional and regional levels.

33. The question of funding, he stressed, was one of the major problems confronting the implementation of the programme for the Second IDDA, as indeed for the promotion of industrial development in general. Notwithstanding the commitment of African countries to assuming the responsibility for implementing the programme and raising resources for development, it was clear that Africa would need external assistance in the coming decade in the form of foreign investment and foreign aid. The crucial question was whether Africa could create the necessary enabling environment to attract investors from abroad, all the more so as Official Development Assistance (ODA) to Africa had been much less than anticipated. It was for that reason that in its medium-term plan UNIDO had placed particular emphasis on the mobilization of financial resources for industrial development.

34. Briefly outlining the scope of UNIDO's various programmes in Africa, the Director-General noted that, in addition to the activities specifically related to IDDA and costed at US\$ 8.6 million for each of the last three biennia and programmed for the biennium to come, Africa had always featured prominently in the activities of UNIDO. Of the technical co-operation delivered by the organization in 1990, 34.9 per cent or US\$ 55.7 million had gone to Africa, which represented an increase of US\$ 6.5 million over the previous year. UNIDO had also actively fostered investment promotion endeavours

throughout the region, successfully concluding 52 investment projects with a total value of US\$ 138 million in 1990 and 48 projects valued at US\$ 140.3 million in 1989.

35. Over the preceding four years, he pointed out, the demand for the services of UNIDO had increased significantly, with a matching increase in the degree of sophistication in technical co-operation projects. That underscored the need to strengthen the technical thrust of the organization, to develop its flexibility and capacity for change, as well as to ensure a thorough comprehension of country and regional needs. The role of UNIDO was also evolving in other respects, particularly in the context of the tripartite system of co-operation with Governments and UNDP, which was a primary source of funding for the activities of UNIDO. The redefinition by UNDP of the relationships in technical co-operation was bound to affect the structural evolution of UNIDO. UNIDO would thus have to focus closely on the types of services that UNDP and recipient Governments would expect of the organization in the years to come. In that context, the Director-General urged the African countries to play an active role in the deliberations concerning the proposed reorganization of UNIDO and appealed to Africa to lend to UNIDO the strongest possible support in securing an early adoption of the budget and organizational restructuring.

36. The Director-General paid tribute to Professor Adebayo Adedeji, who was about to leave office as Executive Secretary of ECA, highlighting the valuable services he had rendered to Africa and the excellent co-operation he had maintained with UNIDO in support of the region's industrialization efforts, and expressed confidence that the traditional co-operation with UNIDO would continue under his successor's stewardship of ECA.

37. He also underlined the importance that UNIDO attached to its excellent relationships with UNDP and expressed satisfaction with the decision of the UNDP Regional Bureau for Africa to accord special attention to the industrial sector and to the IDDA in the regional component of the UNDP fifth programming cycle. The Director-General further expressed his appreciation to the World Bank and the African Development Bank for their excellent support and co-operation, noting the increasing convergence between the views of UNIDO and those organizations, which resulted in enhanced co-operation and development partnership in their assistance to Africa. The Director-General concluded by expressing his support for the proposed adoption of the Dakar Declaration on Industrialization and Economic Integration in Africa, noting that, while Africa did not lack in strategies and policy frameworks, if the continent could muster the will and commitment necessary to carry them through, the results would more than justify the efforts involved.

38. The Conference was formally opened by His Excellency, Habib Thiam, the Prime Minister of the Government of Senegal, who delivered an address which was highly appreciated and warmly welcomed by all. The text of that address appears in full in Annex IV to this report.

III. Agenda item 2: ELECTION OF THE BUREAU

39. The Conference unanimously elected the following officers:

Chairman:	Senegal
First Vice-Chairman:	Gabon
Second Vice-Chairman:	United Republic of Tanzania
Third Vice-Chairman:	Malawi
Rapporteur:	Algeria

IV. Agenda item 3: ADOPTION OF THE AGENDA AND ORGANIZATION OF WORK

40. The Conference adopted the following agenda:

1. Opening of the meeting
2. Election of the Bureau
3. Adoption of the agenda and organization of work
4. Consideration of the recommendations of the meeting of the Intergovernmental Committee of Experts of the Whole on Industrialization in Africa
5. Any other business
- Admission of the Pan-African Congress (PAC) to the Industrial Development Board (IDB) as observer
6. Date and venue of the 11th meeting of CAMI
7. Adoption of the report
8. Closure of the meeting

41. The Conference decided to proceed by considering the report of the Intergovernmental Committee of Experts of the Whole on Industrialization in Africa paragraph by paragraph.

V. Agenda item 4: CONSIDERATION OF THE RECOMMENDATIONS OF THE MEETING OF THE INTERGOVERNMENTAL COMMITTEE OF EXPERTS OF THE WHOLE ON INDUSTRIALIZATION IN AFRICA

42. Before considering the report of the Intergovernmental Committee of Experts, the Conference of Ministers was informed by the representatives of the World Bank and the African Development Bank about the approaches of their respective organizations to supporting industrial development in Africa.

43. The representative of the World Bank reported that the Bank's approach emphasized the importance of industrial and enterprise development as an engine for growth. In that connection, the growing convergence of views between the Bank and organizations such as UNIDO and ECA was highlighted. Chief among those was an understanding that actions in the industrial field rested on: (a) a correct policy and regulatory framework to provide an environment for dynamic enterprise growth;

(b) an appropriate organizational and institutional context that enabled factors of production and firms to interact and mediate amongst themselves; and, (c) the development of market-driven business support systems to help transfer knowledge and information and deliver finance, technology and market access.

44. It was highlighted that cheap raw materials and labour were being superseded as prime factors for competitiveness and growth by technical and managerial skills, scientific and marketing know-how, product quality, on-time delivery and integration of production processes across national and continental boundaries. Those changes resulted from the growing interdependence of the global economy which had made international trade a major source of growth. By the same token, foreign investment and associated international financial markets had expanded enormously in scale and diversity. In fact, the widely differing growth performance of countries was largely explained by how well they had been able to integrate themselves into the world economy.

45. Since capital availability would, in all likelihood, remain constrained, Africa would need to attract greater foreign direct investment and private funding. For that to occur, African countries would have to redouble their efforts to improve the enabling environment for private investment, particularly in export ventures. Indeed, there was an overwhelming body of evidence that showed that competition was the prime stimulant for modernization and structural change and that therefore policy changes had to be oriented towards strengthening the competitive environment in the region by: (a) removing entry and exit barriers through regulatory reforms; (b) removing high tariff and non-tariff restrictions that delayed structural change; (c) developing rules and regulations that attracted rather than rejected foreign investments; and, (d) building up more practically-oriented education systems responsive to the requirements of producers. Actions in those fields would enable the continent to realize its immense potential.

46. The representative of the African Development Bank after emphasizing the importance that his Organization Group attaches to the Second IDDA given the crucial role the decade had to play in the industrialization of Africa, stated that the industrial sector was one of the main areas of assistance by the Group of the African Development Bank. For example, the total amount of the loans approved by the Bank as a Group during the 1980-1990 decade for the industrial sector, stood at US\$ 3 billion.

47. The strategy adopted by the ADB Group for its future contribution to the industrial sector was based on the lessons drawn from past experience and the need to inject new dynamism into the sector. It centred on some basic policies summarized in the following four points: (a) consolidation of the interdependence of the productive sector, mainly between agriculture and industry; (b) development of the private sector; (c) development of human resources; and, (d) restructuring and enhancement of productivity of existing industrial enterprises.

48. The main objective of each of these orientations was to give a fresh thrust to the industrial sector, especially by strengthening the role of the private sector, particularly in small- and medium-scale industries. The ADB Group sought to strengthen and diversify its activities in each of the above areas. One example was the recent establishment of a window for "the private sector", which enabled the ADB Group to provide direct or indirect support to private entrepreneurs.

49. Economic integration, considered as a means to overcome difficulties linked to limited national markets, constituted a major concern of the ADB Group, and it was, therefore, working actively to promote subregional and regional projects. Finally, the ADB Group was engaged in implementing, efficiently and without bias, the legislation adopted by many member States to encourage national and

foreign private investments, and to mobilize sources of financing that would not lead to increased indebtedness.

50. In introducing the report of the meeting of the Intergovernmental Committee of Experts of the Whole on Industrialization in Africa, Mr. H. Ly, General Manager of "Société Nationale d'Etudes et de Promotion Industrielles" as the Chairman of the Committee stated that the meeting had examined two major agenda items, namely: (a) consideration of the draft programme for the Second Industrial Development Decade for Africa and (b) preparation of an African common position for the fourth session of the General Conference of UNIDO in November 1991. The meeting had also considered various technical reports prepared by the secretariats.

51. With regard to matters arising from the ninth CAMI, he reported on the successful implementation of the Africa Industrialization Day in 1990. For the biennium 1991-1992 the Committee had recommended the theme of industrialization and economic integration in Africa, with the focus on the textile and building materials subsectors, for 1991 and 1992 respectively.

52. In examining the technical reports, the meeting of experts had recommended, *inter alia*, the establishment of an African regional network for agro-chemicals and agricultural machinery as well as the evaluation of subregional and regional support institutions. The need to harmonize the activities of those institutions with those of universities, enterprises and research and development institutions had been stressed.

53. The meeting of experts had considered in detail the draft programme for the Second IDDA, which was composed of the national programmes component and the subregional and regional programmes component. After making amendments to be incorporated in the programme for the Second IDDA, the meeting had recommended that the programme be adopted by the tenth meeting of CAMI and be submitted to the forty-seventh session of the General Assembly of the United Nations in 1992. Furthermore, the meeting had recommended the establishment of a working group of ten African member countries to follow-up and monitor the implementation of the programme.

54. With regard to the African common position for the fourth session of the General Conference of UNIDO in November 1991, the Committee had called upon African countries to give full support to the adoption of the budget of UNIDO and had made recommendations on the restructuring of the organization. The meeting had recommended to the Conference of African Ministers of Industry to propose to the fourth session of the General Conference of UNIDO that there should be at least three posts of Deputy Directors-General in the new structure. One of those posts would be filled by an African.

55. On the agenda item on any other business, the meeting had examined the nominations of Africa to the different UNIDO bodies and had recommended that the African group in Vienna should hold consultations and agree on the list of candidates to be presented to the Industrial Development Board. The meeting had also taken note of the preparation for the 1992-1996 regional component of the UNDP fifth programming cycle and had recommended that the African Ministers should call upon UNDP to increase resources allocated to the industrial sector.

56. The Chairman of the meeting of the Intergovernmental Committee of Experts of the Whole on Industrialization in Africa concluded that the meeting had adopted its report together with its annexes, comprising of two resolutions on the programme for the Second IDDA and on the African common position for the fourth session of the General Conference of UNIDO, as well as the Dakar Declaration on Industrialization and Economic Integration in Africa.

57. The Conference, in considering the report ICE/1991/14/Rev.1 of the Intergovernmental Committee of Experts of the Whole on Industrialization in Africa, made comments on and amendments to specific paragraphs. The various comments and amendments are summarized below.

Para. 20-25: Africa Industrialization Day (AID)

58. Concerning Africa Industrialization Day (AID), the Ministers remarked that many African countries had experienced some difficulties in celebrating the first AID on 20 November 1990, and that there was a need to make more resources available for that purpose. In that context, UNIDO was requested to assist African countries by producing and distributing a film, as it had done in 1990, as well as to prepare and distribute other information and promotional materials to publicize the Day.

59. The question of the date and periodicity of the AID was also raised during the debate. Since, in 1991 the AID would fall on a date during the fourth session of the General Conference of UNIDO (18-22 November 1991), many African Ministers of Industry would be attending the General Conference in Vienna, and would therefore be away from their home countries and could not participate in the commemoration of the Day. However, since the date on which the Day was to be celebrated had been fixed by General Assembly Resolution 44/237, the Conference did not consider it appropriate to recommend changing the date for the Day in 1991.

Para. 26-33: Implementation of the resolutions and decisions of the ninth meeting of CAMI

60. The Conference endorsed the proposal made by the Intergovernmental Committee of Experts to call upon UNIDO and UNDP to increase the number of UNIDO Country Directors in Africa.

Para. 34-58: Technical Reports

61. With regard to the subregional and regional technical and technological institutions referred to in paragraph 39 of the report of the Committee, the Ministers expressed serious concern about the financial difficulties that those institutions faced. Those difficulties resulted mainly from the lack of real material support from the African countries that had, in the first instance, created the institutions. Member countries were therefore strongly urged to pay their contributions to those institutions as external assistance depended on financial support by the countries themselves.

62. The Conference reiterated the request by the Committee of Experts that the title of the proposed network had to explicitly reflect its main concern with agro-chemical products and agricultural machinery. The Conference approved in principle the establishment of the network. Furthermore, it requested that the proposal for the network should be concretized by a feasibility study along the lines of the Fertilizer Advisory and Development Information Network (FADINAP) of the Economic and Social Commission for Asia and the Pacific (ESCAP).

Para. 35 (French text): Replace "produits de première nécessité" by "produits de base".

Para. 59-103: Consideration of the draft programme for the Second IDDA

63. With respect to the role of the private and public sectors (paragraphs 63-69 of the report of Experts), the Conference took note of the Committee's recommendations on the complementary role of the public and private sectors to be considered in finalizing the programme for the Second IDDA. While broadly endorsing the recommendations, the Conference emphasized the following issues:

(a) The success of the Second IDDA would depend upon the efficiency and effectiveness of the economic operators, who in essence would be the principal executors of the programme of industrialization;

(b) The public sector had played the dominant role in African industry; it was necessary to open up the African economies and provide incentives and support to private entrepreneurs as partners and contributors to industrial development;

(c) While private sector participation would include foreign investment, useful for injections of funds, foreign exchange and technology, the Conference felt that the thrust of the programme should be on developing, expanding and strengthening the indigenous private sector. In that connection, a major programme of entrepreneurship development and promotion of small- and medium-scale industries as well as the informal sector was called for;

(d) The expansion of entrepreneurial effort and the promotion of the private sector would necessitate the support of the public authorities through the creation of an enabling environment; the building up of the physical and institutional infrastructures; the provision of credit; and, the strengthening of non-governmental institutions such as chambers of commerce, etc;

(e) The performance of the existing public sector industries in Africa had generally been poor, with low productivity, under-utilization of capacity and the incurring of losses. However, the question of the future role of industrial public enterprises would need to be reviewed by each African country depending upon its own specific circumstances. Such a review would raise a range of possible options, including the following:

- (i) Retention of certain industries in the public sector for strategic reasons;
- (ii) Commercialization of public enterprises, through reduction of government intervention, granting of managerial autonomy and profit orientation;
- (iii) Re-organization and restructuring, including partial privatization by sale of equity shares to the private sector;
- (iv) Total privatization where appropriate; and,
- (v) Liquidation of public sector industrial enterprises which had outlived their utility and which serve no specific social or economic purpose;

(f) In examining those various options, African governments would consider their impact on employment, prices, availability of goods and services and other socio-economic factors, so as to ensure the least amount of social and economic dislocations during the transitional period.

64. The Conference pointed out that, in the section of the report dealing with the design, adoption, implementation and assessment of the results of the Structural Adjustment Programmes (SAPs), differences in socio-economic conditions between African countries should be given greater consideration.

65. The Ministers further stressed that the report needed to place even more emphasis on the potentially negative effects of the SAPs on the development of the industrial sector as well their social

impact. In that connection, the identification of possible measures to limit those negative effects, while restoring economic equilibrium, would be required.

Para. 93 (French text): The change proposed by the experts on para. 103 of the "Consideration of the Draft Programme for the Second Industrial Development Decade for Africa", CAMI.10/6/Vol.I: ICE/1991/6/Vol.1 to be revised to read "technologie non-opérationnelle" instead of "technologie impraticable".

Para. 93: Delete the change proposed by the experts on para. 350 of the "Consideration of the Draft Programme for the Second Industrial Development Decade for Africa", CAMI.10/6/Vol.I: ICE/1991/6/Vol.1.

Para. 96: Under the consideration of the subregional and regional programmes component in para. 96, the Conference constituted a committee of ten members to review and follow up the implementation of the programme for the Second IDDA as follows:

<u>North Africa:</u>	Algeria (member of Bureau) Egypt
<u>West Africa:</u>	Senegal (member of Bureau) Cape Verde
<u>Central Africa:</u>	Gabon (member of Bureau) Congo
<u>East Africa:</u>	United Republic of Tanzania (member of Bureau) Kenya
<u>Southern Africa:</u>	Malawi (member of Bureau) Zimbabwe

Para. 104-112: African common position for the fourth session of the General Conference of the United Nations Industrial Development Organization

66. The Conference debated at length the reorganization of UNIDO and agreed to the following recommendations:

(a) Africa should propose that there should be, in addition to the post of Director-General, three Deputy Directors-General;

(b) Regardless of the number of posts of Deputy Director-General finally agreed upon, Africa should strive to have one of them; and,

(c) Given the important role that UNIDO plays in the industrialization of developing countries, and considering that Africa is the least industrialized region of the world, Africa should be represented at the highest level.

67. The Conference decided not to retain the proposal of the Committee of Experts to request geographical rotation among African subregions for the post of Deputy Director-General when occupied

by an African, since that was an internal matter to be discussed by the African group. In addition, the Conference urged African Member States to endeavour to pay their arrears so as to enable them to vote at the fourth session of the General Conference of UNIDO.

68. The Conference also discussed the issue of "successor arrangements for agency support costs" at length and decided that a background document should be prepared by UNIDO prior to the fourth session of the General Conference to assist African delegations to be better prepared to re-examine that issue at the preparatory meeting for the fourth session of the General Conference of UNIDO.

Para. 113-119: Any other business

69. With regard to the preparation of the regional component of the UNDP fifth programming cycle, it was proposed that the Conference recommend that in the implementation of the programme for the Second IDDA, national expertise should be utilized to the greatest extent possible.

70. Regarding the new arrangements pertaining to support costs, the representative of the Director-General of the United Nations for Development and International Economic Cooperation informed the conference that it was a highly complex matter that was still a subject of consultation within the United Nations system. He, however, for information purposes, highlighted a number of basic principles related to this matter particularly:

(a) the issue of tripartite cooperation (among UNDP, Agencies and Governments); and,

(b) the strengthening and utilization of national capabilities as well as decentralization with the aim of strengthening programmes and projects by national entities.

He referred to resolution 44/211 adopted by the United Nations in December 1989 which was being actively implemented within the United Nations system and would be under a triannual review by the Director General in 1992.

71. The Conference decided to defer, until the preparatory meeting prior for the fourth session of the General Conference of UNIDO, the issue of the African membership in the policy-making organs of UNIDO. It, however, reiterated its appeal to member States to pay their arrears on their contributions to the UNIDO regular budget so as to make them eligible for election to the policy-making organs of UNIDO and reinstate their voting rights.

72. The Conference considered the two draft resolutions on the adoption of the programme for the Second IDDA and the African common position for the fourth session of the General Conference of UNIDO as well as the Dakar Declaration on Industrialization and Economic Integration in Africa. The Conference adopted the resolutions and the Dakar Declaration as amended. They are contained in Annexes I, II and III to this report.

VI. Agenda item 5: ANY OTHER BUSINESS

73. Under this agenda item, the Conference noted that the issue of admission of the Pan-African Congress to the Industrial Development Board (IDB), had to be submitted to the IDB itself before the General Conference of UNIDO. The matter would have to be a subject of consultations by the African group at UNIDO.

VII. Agenda item 6: DATE AND VENUE OF THE ELEVENTH MEETING OF CAMI

74. The representative of Mauritius announced the offer of his Government to host the eleventh meeting of the Conference of African Ministers of Industry in 1993. The Conference accepted the offer by acclamation. The Conference decided that the date of the eleventh meeting of CAMI would be agreed upon later through consultations among the Bureau, the secretariats (ECA, UNIDO and OAU) and the host Government.

VIII. Agenda item 7: ADOPTION OF THE REPORT

75. At the final session, the Rapporteur introduced the draft report to the Conference for adoption. The draft, he emphasized, reported all the amendments to the report of the Committee of Experts and included the resolutions Res.1(X) on the adoption of the programme for the Second IDDA and Res.2(X) on the African common position for the fourth session of the General Conference of UNIDO, as well as the Dakar Declaration on Industrialization and Economic Integration in Africa, as amended by the Conference.

76. The Conference adopted the report and authorized the secretariat to finalize it in the light of the amendments agreed upon.

IX. Agenda item 8: CLOSURE OF THE MEETING

77. The official closing session of the meeting started by a solemn reading by His Excellency M.Y. Kraiba, Ambassador of Algeria to Senegal, of the "Dakar Declaration on Industrialization and Economic Integration in Africa" which had just been adopted.

78. Mr. Domingo L. Siazon Jr., Director-General of UNIDO, thanked all those who had in one way or the other contributed to the success of the tenth meeting of the Conference of African Ministers of Industry. He indicated that the Dakar Declaration and the programme for the Second IDDA would give to UNIDO an important base for the elaboration of appropriate programmes for the region in the years to come and assured the Conference that his organization would continue to give priority to the industrial development of Africa.

79. He then thanked his colleagues from ECA and OAU for their co-operation and support, and concluded by recalling that the success of the Second IDDA could only be ensured by the firm commitment and sustained efforts of every one.

80. Speaking on behalf of the Director-General of the United Nations for Development and International Economic Cooperation, Mr. Salif Ndiaye, expressed total satisfaction for the way the meeting had gone in terms of material support, fruitful co-operation among ECA, UNIDO and the OAU, and the quality of the contributions by the delegates during the deliberations.

81. He further thanked the Chairman for having conducted the meeting in a constructive manner which made it possible to reach positive results for the process of the industrialization of Africa in the 1990s.

82. He then underscored the determination of the Director General and of ECA to do everything possible to ensure the implementation of the decisions of the meeting.

83. In his closing remarks, H.E. Mr. Alassane D. Ndiaye, Minister of Industry, Commerce and Handicraft of Senegal and Chairman of the tenth meeting of the Conference of African Ministers of Industry, reaffirmed that his country had been honoured to have hosted the meeting and to have presided over the Conference which represented a turning point in the common efforts of African countries to lay down the basis for a viable, competitive and integrated African industrial sector. He recalled that the proceedings of the Conference had been greatly inspired by the speech of the Prime Minister of Senegal, H.E. Mr. Habib Thiam, who had clearly defined the major challenges facing Africa in the 1990s and the steps to follow so as to resolve them, in particular, through regional economic integration in line with the relentless efforts of H.E. Mr. Abdou Diouf, President of the Republic of Senegal to bring about a united, strong and prosperous Africa, more particularly as regards the economic and political integration of the West African subregion.

84. He emphasized the importance of the Dakar Declaration on Industrialization and Economic Integration in Africa adopted by the Conference which reflected the central theme of the meeting namely how the industrial sector could play the role of a driving force in bringing about the African Economic Community. He also underlined another important aspect of the Conference, namely the adoption of the programme for the Second IDDA, which had to be fully implemented at the national, subregional and regional levels.

85. He further indicated that one of the main tasks of the Conference had been the definition of what had to be the African common position at the fourth session of the General Conference of UNIDO that was due to take place in November 1991 in Vienna. While reiterating his thanks to the Director-General for his efforts towards Africa, he re-affirmed the need for UNIDO to continue according priority to Africa, the least industrialized region in the world.

86. Speaking on behalf of the Ministers, H.E. Mr. J.F. Wapakabulo, Minister of Industry and Technology of Uganda, thanked the President, the people and the Government of Senegal for having accepted to host the Conference, and recalled the role of Senegal in the development of economic cooperation and integration in Africa. He further invited the Conference to adopt a resolution on the vote of thanks contained in Annex V of the present report.

87. The tenth meeting of the Conference of African Ministers of Industry was then declared officially closed on the 31st July 1991 at 19.45 hours.

ANNEX I**Resolution 1(X):
Adoption of the programme for the
Second Industrial Development Decade for Africa (IDDA)¹**

The Conference of African Ministers of Industry at its tenth meeting at Dakar (Senegal) from 29 to 31 July 1991,

Recalling General Assembly resolution 35/66B that had proclaimed the 1980s as the Industrial Development Decade for Africa (IDDA);

Bearing in mind the report on the independent mid-term evaluation team of the IDDA prepared by the members of the evaluation team that had shown, inter alia, that the First IDDA had not attained the expected results;

Recalling resolution 2(IX) adopted by the Conference of African Ministers of Industry at its ninth meeting held from 29 May to 1 June 1989 in Harare, Zimbabwe concerning the proclamation of a Second Industrial Development Decade for Africa and the formulation of a programme for the Decade;

Recalling resolution AHG/Res. 180(XXV) of July 1989, adopted by the Assembly of Heads of State and Government of the Organization of African Unity, requesting, inter alia, the proclamation of a Second IDDA;

Recalling further resolution GC.3/10 of 23 November 1989, adopted by the General Conference of the United Nations Industrial Development Organization at its third session which had also called for the proclamation by the General Assembly at its forty-fourth regular session of a Second Industrial Development Decade for Africa;

Noting resolution 709(XXVI) of the ECA Conference of Ministers on the United Nations Second Industrial Development Decade for Africa (1991-2000) which, inter alia, had mandated the tenth meeting of the Conference of African Ministers of Industry to submit to the General Assembly, at its forty-sixth regular session, through the Economic and Social Council, the programme for the Second Industrial Development Decade for Africa together with the recommendations concerning practical mechanisms of its implementation and monitoring and including modalities for the mobilization of funds needed to finance the programme at the national, subregional, regional and international levels;

Pointing out to the twenty-seventh meeting of the ECA Conference of Ministers that due to the unanticipated postponement of the tenth meeting of the CAMI from 10-12 June 1991 to 29-31 July 1991, it had not been possible to submit the programme of the Second IDDA to ECOSOC at its second regular session for 1991 held in July 1991 and, consequently, it had also not been possible to submit the programme to the General Assembly at its forty-sixth regular session;

Further recalling General Assembly resolution 44/237 of 22 December 1989 that had proclaimed 1991-2000 as the Second Industrial Development Decade for Africa and 20 November as Africa Industrialization Day;

¹ Morocco expressed its reservations in respect of the fourth, ninth and tenth preambular paragraphs.

Welcoming the signing of the Treaty establishing the African Economic Community by the African Heads of State and Government of the OAU member states in Abuja, Nigeria on 3 June 1991;

Mindful of the important implications of the said Treaty, especially its Article 48 on Industry;

1. Decides to adopt a programme for the Second Industrial Development Decade for Africa (1991-2000) covering the national, subregional and regional components contained in document CAMI.10/6:ICE/1991/6/Vol.1 and Vol.2;
2. Decides to establish a ten-member working group, to be appointed by the CAMI each biennium, comprising the members of the current Bureau and five additional members representing each of the subregions, to monitor the progress made in implementing the programme;
3. Requests the secretariats of UNIDO and ECA, in co-ordination with other appropriate international financial and technical agencies and in conformity with the foreseen mechanisms in subregional and regional programmes, to ensure the implementation of the programme;
4. Requests the Director-General of UNIDO to submit the programme for the Second IDDA to the fourth session of the General Conference of UNIDO, through the Industrial Development Board at its resumed eighth session;
5. Appeals to the fourth session of the General Conference of UNIDO to endorse the programme for the Second IDDA and to extend its full support to it by allocating adequate resources to UNIDO to assist African countries and subregional organizations in implementing both the national and subregional components of the programme;
6. Further requests the twenty-seventh session of the ECA Conference of Ministers to submit for adoption the programme for the Second IDDA to the forty-seventh regular session of the General Assembly through ECOSOC at its second regular session for 1992 and requests the General Assembly to provide ECA with increased resources to enable it to effectively assist African countries and subregional organizations in the implementation and monitoring of the programme at the national, subregional and regional levels;
7. Appeals to African countries and to African intergovernmental organizations, particularly financial institutions, to take the necessary measures to ensure the successful implementation of the programme for the Second IDDA and to give priority to the mobilization of their own financial resources for the implementation and monitoring of the programme;
8. Also appeals to the international community, particularly bilateral and multilateral funding institutions, to increase significantly their contributions to the industrial sector in African countries, so as to ensure a successful and sustained implementation of the programme;
9. Specifically urges international financial institutions, particularly the World Bank, the International Monetary Fund and the African Development Bank, to ensure full support to the IDDA programme and effective implementation of the programme at the national and subregional levels;

10. Further appeals to the United Nations Development Programme to allocate, under its regional component of the UNDP fifth programming cycle for Africa (1992-1996), adequate resources for supporting the activities of the programme;

11. Requests the Director-General of UNIDO and the Executive Secretary of ECA, in co-operation with the Secretary-General of OAU, to undertake follow-up actions for promoting national, subregional and regional activities in support of the programme and jointly submit biannual reports on the implementation of the programme to the ECA Conference of Ministers and the General Conference of UNIDO through the Conference of African Ministers of Industry.

ANNEX II

Resolution 2(X):
African common position for the
fourth session of the General Conference of UNIDO

The Conference of African Ministers of Industry, at its tenth meeting held in Dakar, Senegal, from 29 to 31 July 1991,

Recalling decision GC.3/Dec.31 of the third session of the General Conference of UNIDO on the fourth session, decision IDB.7/Dec.25 that contained a list of items for consideration when adopting the agenda of the fourth session and decision IDB.8/Dec.41 which adopted that provisional agenda with additions and emphasizing the need for careful preparation by African countries for the fourth session of the General Conference of UNIDO;

Concerned about the adverse impact of the continuing world economic crisis on the fragile African economies, which has been exacerbated by mounting external debt, collapse of commodity prices and decreases in real terms in resource flows to Africa;

Determined to ensure an effective contribution from the industrial sector in economic recovery, sustained development and integration of Africa, which is the least industrialized continent, with the largest number of Least Developed Countries;

Considering the importance for Africa of the rapid implementation of the programme which has been adopted for the Second IDDA;

Stressing the importance of the fourth session of the General Conference of UNIDO as a forum for promoting international co-operation in support of the industrialization and structural transformation of African economies;

Conscious of the need to strengthen and increase the capacity of UNIDO so as to enable the organization to continue to respond effectively to the needs of African countries;

1. Adopts the African common position for the fourth session of the General Conference of UNIDO contained in the appendix to this resolution;
2. Requests the Chairman of the tenth meeting of the Conference of African Ministers of Industry to convene in Vienna a preparatory meeting of African delegations prior to the opening of the fourth session of the General Conference of UNIDO;
3. Urges all African countries to participate actively in the fourth session of the General Conference of UNIDO, with a view to ensuring the adoption of the African common position;
4. Reaffirms its appreciation for the efforts of the Director-General of UNIDO towards Africa and reiterates its continued support for him;
5. Urges the Industrial Development Board to adopt the budget for 1992-1993, since delay in its adoption would be counter-productive for Africa.

6. Requests the Director-General of UNIDO to transmit the report of the tenth meeting of the Conference of African Ministers of Industry, including the African common position, to all Member States of UNIDO and to submit it as an official document to the resumed eighth session of the Industrial Development Board and the fourth session of the General Conference of UNIDO;

7. Requests the Secretary-General of OAU and the Executive Secretary of ECA to provide necessary assistance to African delegations to the fourth session of the General Conference of UNIDO.

APPENDIX TO RESOLUTION 2(X)

**African common position for the
fourth session of the General Conference of UNIDO**

The African common position emphasizes the imperative need to ensure the success of the Second IDDA. To this end, the tenth meeting of the Conference of African Ministers of Industry strongly appeals to the international community to find a lasting and definitive solution to the problem of external debt of African countries, as well as just and equitable remuneration for commodities, to enable Africa to finance its development and, in particular, its industrialization.

(a) **The Second Industrial Development Decade for Africa (IDDA)**
(Item 14 on the provisional agenda of the fourth session of the General Conference of UNIDO)

In view of the important role of UNIDO in contributing to the industrialization of developing countries and in recognition of Africa's low level of industrial development, the fourth session of the General Conference of UNIDO should take the following concrete decisions in relation to the programme for the Second IDDA:

- (i) Endorse/Approve the programme for the Second IDDA; declare it to be a top priority programme of UNIDO and request the Director-General of UNIDO to adjust the work programme of the organization in order to provide greater support to African countries and organizations in their efforts to implement the programme for the Second IDDA;
- (ii) Request the Director-General of UNIDO to ensure, in the implementation of the Medium-Term Plan (1992-1997) and in drafting of all future plans for consideration by the policy-making organs of UNIDO during the Decade, to take into account both the Second IDDA and Africa's efforts to promote subregional and regional economic integration and co-operation and to enhance UNIDO's capacity to assist African countries upon request in the following activities:
 - project identification, preparation, implementation and monitoring;
 - preparation, evaluation and negotiation of specifications, bids and contracts;
 - production, marketing and distribution in relation to key consumer, intermediate and capital goods, especially in the subregional and regional context;
 - procurement and adaptation of technology, plant management and consultancy services; and,
 - industrial planning and setting up of institutional support.
- (iii) Allocate adequate resources to assist in the effective implementation of the programme for the Second IDDA for the rapid industrialization of Africa in line with the objectives and principles of that programme;
- (iv) Request the Director-General of UNIDO, in co-operation with the Executive Secretary of the ECA and the Secretary-General of OAU, to give high priority to the mobilization of external financial resources for the execution of programmes for the Second IDDA by, inter alia, organizing investment promotion meetings, solidarity meetings and consultations on industrial financing with particular reference to the programme for the Second IDDA and to accord priority to African countries in the implementation of programmes and operations relating to industrial promotion;

- (v) Request the Director-General of UNIDO, in co-operation with the Executive Secretary of ECA and the Secretary-General of OAU, to intensify their co-operation in providing to African intergovernmental organizations the necessary assistance in strengthening the role of the industrial sector in the implementation of the subregional component of the IDDA within the framework of the African Economic Community; and,
- (vi) Request the Director-General of UNIDO to involve existing African regional institutes and organizations such as the African Institute for Higher Technical Training and Research (AIHTTR), the African Regional Centre for Engineering Design and Manufacturing (ARCEDEM), the African Regional Centre for Technology (ARCT), the African Regional Organization for Standardization (ARSO) etc. in the implementation and monitoring of the programme for the Second IDDA.

(b) Development of human resources

(Item 19 of the provisional agenda of the fourth session of the General Conference of UNIDO)

African countries have formulated, within their respective national programmes for the Second IDDA, programmes for the development of human resources, with special emphasis on:

- (i) Development of human resources for accelerated industrialization;
- (ii) Strengthening of the scientific and technological base for industrial development; and,
- (iii) Development of entrepreneurial capabilities.

The following support actions should be agreed to at the fourth session of the General Conference:

- (i) Request the Director-General of UNIDO to assist African countries, upon request, in carrying out manpower demand-supply studies in the manufacturing sector and in updating such studies where they exist and to propose specific measures for bridging the supply gap;
- (ii) Urge the developed countries and newly industrialized countries (NICs) to support the efforts of African countries in the development of industrial and technological manpower by, inter alia, providing assistance to the regional, subregional and national institutions, including the establishment of specialized technical centres for industrial branches, research and development etc. and including training components for African nationals within their technical assistance and other co-operation programmes;
- (iii) Urge the aid/donor agencies and, in particular, the development finance and monetary institutions to ensure that their programme packages for African countries give high priority to the development of industrial and technological manpower, especially African entrepreneurs.

(c) Mobilization of financial resources for industrial development

(Item 26 of the provisional agenda of the fourth session of the General Conference of UNIDO)

The successful implementation of the programme for the Second IDDA will very much depend on the ability of African countries to effectively mobilize and utilize both domestic and external financial resources. Owing to the uncertainties about the availability of the required financial resources for

Africa's accelerated industrialization and given the great magnitudes, especially of external resources required for the purpose, the following measures are proposed:

- (i) Bilateral and multilateral development finance institutions, including the regional development banks, the EEC Regional Development Fund and the European Investment Bank should make special allocations for Africa's industrial development and to assist in carrying out such studies as to facilitate investment decision;
 - (ii) Developed countries, particularly in their bilateral assistance programmes, should make special allocations for the promotion of African industrialization through incentives for direct foreign investment in the industrial sector in Africa;
 - (iii) On-going and future adjustment programmes should go beyond macro-economic conditionalities and give priority to the need for increased investment resources in the industrial sector; and,
 - (iv) The Director-General of UNIDO should continue to organize, in co-operation with the Executive Secretary of ECA and the Secretary-General of OAU, investment fora/round tables, particularly for the promotion of subregional industrial projects, as well as consultative meetings on industrial financing in Africa.
- (d) Successor arrangements for agency support costs

The views of the African member States on this issue are especially significant since Africa, of all the regions, will be the major recipient of technical assistance in the traditional sense in the years to come. The new regime, expected to come into force as of January 1992, still carries uncertainty for the Agencies, both at the level of work to be performed and at the level of income to be earned. Those have been foreseen in the UNDP Governing Council decision 90/26, but no proper agreement has yet been reached on that matter.

The following support actions should be adopted by the fourth session of the General Conference:

- (i) Efforts should be made to ensure that the successor arrangements to agency support cost delineate clearly the roles of the three partners - UNDP, UNIDO and Governments - as well as to establish adequate transitional provisions and ensure that sufficient resources are made available, at the level of technical support to both programmes and projects so that the agencies can carry out their activities without disruption;
- (ii) The integrated sectoral programme approach which has been developed by UNIDO as an input into industrial development should be further strengthened with a shift from the project-by-project approach to an integrated programme approach, on the one hand, and on the other hand, UNIDO should reinforce and extend the programmes for the strategic management of industrial development at national, subregional and regional levels. Adequate resources should be earmarked for the effective application of this approach, especially in the formulation of programmes in Africa; and,
- (iii) The Director-General of UNIDO should be requested to accelerate the consideration and approval of requests for assistance within the framework of the IDDA by African countries.

(e) Development and transfer of technology
(Item 18 of the provisional agenda of the fourth session of the General Conference of UNIDO)

In the area of development and transfer of technology, Africa's external dependence is not only very high, but is likely to continue to be high for a very long time with serious implications for Africa's inadequate financial resources and the striving for self-reliance and self-sustainment.

With a view to contributing to the amelioration of this situation, the following measures are proposed:

- (i) South-South co-operation should be promoted, particularly, with regard to the development and transfer of appropriate technology, research and development, commercialization of research findings and the development of prototypes;
- (ii) UNIDO's assistance to African countries should be directed to the strengthening of regional, subregional and national institutions dealing with the development of technology, research and development and related technical training, the provision of information on appropriate technology, provision of technical advice on request in the choice and acquisition of technologies, contract negotiation, equipment choice and raw materials sourcing;
- (iii) Developed countries are urged to increase support to African institutions dealing with the development and adaptation of technology, research and development and specialized technical training, finance and help in organizing, through UNIDO, special field missions for African technicians to technological and research and development institutions in other developing as well as in developed countries on a selective basis; and,
- (iv) UNIDO should maintain close co-operation with international and African organizations dealing with the development and transfer of technology, such as African Institute for Higher Technical Training and Research (AIHTTR), the African Intellectual Property Organization (AIPO), the African Regional Centre for Engineering Design and Manufacturing (ARCEDEM), the African Regional Centre for Technology (ARCT), the African Regional Organization for Standardization (ARSO), and the World Intellectual Property Organization (WIPO).

(f) Industrialization of the Least Developed Countries
(Item 15 on the provisional agenda of the fourth session of the General Conference of UNIDO)

Among the world total of 42 LDCs, 29 are located in Africa, and the number is growing. Thus, the industrialization of African LDCs as a basis for economic transformation is a major factor in the overall striving to improve socio-economic conditions in Africa and lay a solid foundation for economic independence. The following measures are proposed for dealing with the issue of accelerated industrialization of African LDCs:

- (i) The World Bank/IMF-supported structural adjustment programmes should pay particular attention to rehabilitation, maintenance and upgrading of existing production facilities, as well as promote agro-industry linkage, with particular emphasis on the satisfaction of national and subregional markets with essential manufactures and intermediate inputs as a central objective in the industrialization programme of African LDCs;

- (ii) The promotion of industrial co-operation should be accorded high priority, particularly for the African LDCs, the vast majority of which have small populations. Accordingly, the bilateral and other programmes of the developed countries, international and regional development finance institutions should embody such components that promote co-operation and integration between the LDCs and the neighbouring countries; and,
- (iii) UNIDO should continue its efforts in formulating a comprehensive programme of assistance to African LDCs on the basis of the Paris Declaration of September 1990 and in recognition of the need to promote close co-operation between the LDCs and other countries. The Director-General of UNIDO should prepare and submit annually a progress report on the industrialization of African LDCs with proposals on measures to further assist these countries to establish and consolidate their industrial base.

(g) Organizational and staff structure of UNIDO

(Item 35 on the provisional agenda of the fourth session of the General Conference of UNIDO)

The organizational and staff structure of UNIDO is an important issue because it is highly instrumental for the achievement of the objectives of the organization, namely assisting in and contributing to the industrialization of the developing countries. For Africa, as the least industrialized region in the world, the issue is even more important. Africa is embarking on the implementation of major programmes, including the Second United Nations Transport and Communication Decade for Africa (UNCTADA) and the Second IDDA, all of which are to contribute to and support the efforts to establish the African Economic Community, the Treaty of which was signed on 3 June 1991 in Abuja, Nigeria.

In order to increase UNIDO's impact in Africa and enable it to contribute more to African industrialization and economic integration, the following measures are proposed:

- (i) Having examined the various proposals on the organization and structure of UNIDO staffing and, particularly those presented by the Director-General, CAMI:
 - Endorses the need to restructure the organization;
 - Emphasizes technical assistance activities which are the *raison d'être* of UNIDO;
 - Emphasizes the need for greater country focus as well as subregional and regional integration; and,
 - Supports the need to retain, in whatever structure, a Deputy Director-General position for the African region.
- (ii) Africa should strive, in the ongoing restructuring, to have one post of Deputy Director-General, selected from among several competent, qualified Africans. To ensure this, Africa should support the proposal to have at least three Deputy Directors-General in the UNIDO structure. Irrespective of the structure agreed upon, Africa should be represented in UNIDO at the highest possible level.

Based on the above considerations, the African Group will support any other proposal, on the firm understanding that one of the Deputy Director-General posts must be from the African region. Whatever happens, the need to maintain the current political balance must

be emphasized and retained. This political balance will be, however, rotational among the different regional groups depending on the region of an incumbent Director-General.

(iii) The Director-General of UNIDO should:

- review the study on the establishment of a UNIDO regional office for Africa with emphasis not only on financial aspects but also, and more importantly, on the operational and functional advantages of such an office;
- propose alternative scenarios on how a UNIDO regional office for Africa could be established and made operational (in a small way) through for instance, redeployment and re-organization; and
- submit a comprehensive report to the IDB at its tenth session.

(iv) The number of UNIDO Country Directors in Africa should be increased, with many of them selected from among competent Africans.

(h) Reports on the practice of zero real growth budgets

(Item 30 of the provisional agenda of the fourth session of the General Conference of UNIDO)

It is proposed that the resolution adopted on this item by the ninth meeting of the Conference of African Ministers of Industry be re-submitted to the fourth session of the General Conference of UNIDO emphasizing the following elements:

- (i) The critical importance of UNIDO to the promotion and acceleration of industrial development in the developing countries as well as to the promotion of international industrial co-operation at the global, regional and subregional levels;
- (ii) The lack of adequate resources and the reduction in real terms of the resources available to UNIDO, which have impeded the attainment of its objectives;
- (iii) The increasing responsibilities and demands imposed on UNIDO and the need for it to provide more effective assistance to the developing countries in tackling their increasingly complex industrial problems;
- (iv) The need to re-examine the policy of "zero real growth budgets" with a view to allowing a modest increase in the biennial programme and budgets of UNIDO;
- (v) The need to authorize the Director-General to incorporate an appropriate percentage increase in future biennial programme and budget proposals of the organization;
- (vi) The expression of special appreciation to the member States which have assisted in the increase of technical assistance delivery to African countries through voluntary contributions and an appeal to these countries to increase general-purpose contributions to the organization;
- (vii) The need for the member States concerned to make every effort to pay their contributions regularly and clear their outstanding arrears to UNIDO;

- (viii) The need for the Director-General of UNIDO to continue his relentless efforts to ensure that, despite overall budgetary constraints imposed upon the organization by the maintenance of zero growth, Africa continues to enjoy its rightful share of the organization's resources.

ANNEX III**Dakar Declaration on
Industrialization and Economic Integration in Africa²**

1. We, the African Ministers of Industry, at the tenth meeting of our Conference held in Dakar, Senegal, from 29 to 31 July 1991, have examined the situation of industrial development in our countries in the overall context of the deteriorating social and economic conditions in the African region. Our meeting was uniquely timely as it took place immediately after the signing of the historic treaty establishing the African Economic Community by the African Heads of State and Government in Abuja, Nigeria, 3 June 1991. The meeting was also of particular significance as it was largely devoted to the adoption of a comprehensive programme for the Second Industrial Development Decade for Africa, which had been proclaimed by the United Nations General Assembly in resolution 44/237 of 22 December 1989.
2. We note with great concern that the social and economic conditions in our region remain gloomy. We are particularly concerned by the continued poor performance of the industrial sector. The growth of manufacturing value added has continued to decelerate and the sector's contribution to total output has not significantly increased. Most importantly, the industrial sector has failed to bring about the structural transformation of our economies in spite of efforts made to establish an industrial base in the individual African countries.
3. We are, however, fully cognizant of the fact that one of the major obstacles to all efforts made at the country level has been the lack of effective economic integration that could engender and sustain the synergy necessary for successful industrialization. This has been particularly prevalent in areas such as technology, finance, management and entrepreneurial skills, market size as well as the physical and institutional infrastructure and export capacity.
4. We stress the fact that since 1980 when the Lagos Plan of Action and the Final Act of Lagos were adopted, Africa has considered economic co-operation and integration as indispensable for the development and transformation of the African economies. This should contribute to mitigating Africa's handicap of having many small countries with limited potentialities.
5. We note that the independent evaluation of the programme for the First Industrial Development Decade for Africa has shown that African countries, individually, have limited capacities to establish a sound industrial base. It is thus our firm belief that Africa's economic integration in the 1990s and beyond as called for in the treaty establishing the African Economic Community will be an important factor in the process of industrialization in Africa. At the same time, we are convinced that the

² Morocco expressed its reservations on the following parts:

paragraph 1: "Our meeting was uniquely timely as it took place immediately after the signing of the historic treaty establishing the African Economic Community by the African Heads of State and Government in Abuja, Nigeria, 3 June 1991."

paragraph 5: "as called for in the treaty establishing the African Economic Community"

paragraph 16: "within the framework of the treaty establishing the African Economic Community".

establishment of a well integrated industrial base at national, subregional and regional levels will also contribute significantly to the acceleration and reinforcement of the economic integration process.

6. We are aware of the critical importance of adopting the right economic policies for both industrial growth and economic integration. We are therefore committed to the pursuance of policies and measures that will ensure maximum linkages within the industrial sector and bring about increased vertical and horizontal integration of industrial structures at the national, subregional and regional levels. We must, in this regard, stress our determination to increase co-ordination and harmonization of industrial policies, programmes and projects among countries and subregions within the context of existing subregional economic structures.

7. We recognize the role that the private sector can and should play in the development of the industrial sector. We are, consequently, determined to contribute to the creation of an enabling environment to facilitate the more active participation of private entrepreneurs in the process of industrialization, especially with respect to small- and medium-scale industries. We are convinced that an enabling environment that will bring about full private sector participation will also lead to greater economic integration through increased mobility of factors of production, goods and services and economic agents among countries. We call upon private sector institutions, at all levels, to accord high priority to the programme for the Second IDDA.

8. We are also convinced that industrial development in our region will succeed only if we realize our full market potential through economic integration. In this regard, we are determined to rationalize and harmonize existing production capacities in each industrial subsector. Also, in the medium- and long-term, there will be a need for achieving a rationalized pattern of product specialization based on comparative advantages among countries of a subregion as well as among subregions, especially with respect to availability of raw materials and adequate infrastructures. Within the context of the Second Industrial Development Decade for Africa it is necessary to ensure that industrial rehabilitation programmes and projects as well as industrial projects of expansion are designed to reinforce economic integration.

9. We fully believe that technology will have to be at the centre of industrial progress in Africa. It is, in this regard, particularly important to deal with the question of technology adaptation and development. We reiterate our resolve to accord high priority to the reduction of dependence of Africa on foreign expertise, to aim at pooling existing capacities and to establish centres of excellence in specialized fields.

10. We acknowledge that the mastery of technology requires the development of appropriate manpower. We are determined to ensure the strengthening of existing technical training facilities, develop and implement programmes for human resource development, paying special attention to well planned specialization programmes and to pool resources in certain specific areas such as industrial project preparation and industrial negotiations.

11. We realize that both industrial development and economic integration require basic support services. We, therefore, in this regard, emphasize the role of the physical infrastructure especially transport and communications. As a result, we call on the ECA Conference of Ministers at its twenty-seventh session to adopt a plan of action on the harmonization of the activities of the Second Industrial Development Decade for Africa and those of the Second United Nations Transport and Communications Decade for Africa. Similarly, we are determined to ensure full co-ordination of institutional support services, especially among national industrial development promotion institutions that are involved in vital areas

such as supply of raw materials, equipment and spare parts, development of entrepreneurial skills and marketing.

12. We observe that one of the major constraints to industrial development in Africa continues to be the scarcity of investment resources. We are concerned by the trend of declining external financing, especially in the industrial sector. We are equally concerned by the absence or inadequacy of industrial financing institutions, especially at the subregional and regional levels. We therefore urge existing subregional and regional financial institutions, especially the African Development Bank, to put increasing emphasis in their operations on the financing of industrial activities that will contribute to accelerating the process of economic integration. We should adopt investment incentives to encourage these organizations to finance industrial activities in our countries. We also call upon African countries to set up mechanisms for resource mobilization, particularly through the mobilisation of domestic savings for financing joint ventures and projects so as to lay a firm foundation for economic integration.

13. We note that at the international level there is a general trend of increasing co-operation among countries. Indeed, a number of economic groupings are in the process of being formed. At the same time, Africa is becoming increasingly marginalized. Realizing the importance of these trends, we applaud the decision of the African Heads of State and Government to commit Africa to full economic integration. We are determined to contribute to the implementation of this decision through genuine industrial co-operation that will bring about increased competitiveness. We are, nevertheless, concerned by some adverse factors in the international environment that greatly undermine Africa's capacity for effective industrialization. The two most serious of these factors are the external debt burden and the collapse in commodity prices which together constrain the capacity of Africa to finance its development in general and industrial investment in particular. We call for an urgent solution to these problems.

14. We are aware that the primary responsibility of ensuring that we achieve economic transformation through industrialization and economic integration lies with us. However, we recognize that African countries will require assistance from the international community. We, therefore, call upon the international community, especially bilateral and multilateral development finance institutions, to fully support African countries in their efforts in the industrialization and integration of their economies.

15. We also call upon African intergovernmental organizations to give the highest priority to all those programmes and projects that contribute to economic integration.

16. We request the Executive Secretary of the Economic Commission for Africa and the Director-General of the United Nations Industrial Development Organization, in co-operation with the Secretary-General of the Organization of African Unity and the President of the African Development Bank, to undertake the necessary follow-up actions in the implementation of the measures outlined in this Declaration as well as those measures contained in the Second IDDA and the envisaged protocols on industrial co-operation within the framework of the treaty establishing the African Economic Community.

17. We express our profound appreciation to the Government and people of Senegal, especially His Excellency Abdou Diouf, President of the Republic of Senegal, who has consistently been at the forefront of economic co-operation among African countries. We are most grateful for having had the occasion to hold this historic meeting of our Conference in this beautiful city of Dakar under the most conducive atmosphere of cordiality and warm hospitality.

ANNEX IV

**Opening speech by H.E. Mr. Habib Thiam,
Prime Minister of Senegal**

Mr. Chairman of the ninth Conference of African Ministers of Industry,
Honorable Ministers and Heads of Delegation,
The Director-General of UNIDO,
Your Excellencies the Ambassadors,
Distinguished Representatives of subregional, regional and international institutions,
Ladies and Gentlemen,

President Abdou Diouf, in a bid to contribute to solving the Liberian problem, has travelled out of Senegal today. He, therefore, asks you to kindly accept his regrets for his inability, to preside over this ceremony as had been planned.

My country, Senegal, is particularly honoured to host the tenth meeting of the Conference of African Ministers of Industry.

While thanking you for having chosen Dakar to host your meeting, I would like to wish all delegations representing brotherly countries as well as friendly international organizations and institutions, a cordial welcome and a pleasant stay on this land of legendary hospitality and "TERANGA".

The large attendance, at this meeting, of such eminent officials and personalities dealing with Africa's vital industrialization issues, is both heartening and comforting to us. I consider it a real source of encouragement for my country and, above all, a great booster to the role that it is striving to play in the integration of our continent.

It is with great satisfaction that I welcome, in our midst, Mr. Domingo L. Siazon, Jr., Director-General of the United Nations Industrial Development Organization. I thank him, sincerely, on behalf of all countries of the African continent, for his personal and effective commitment to the development of Africa.

I have also noticed, in our midst, the representatives of the Secretary-General of the Organization of African Unity (OAU) and the Executive Secretary of the Economic Commission for Africa (ECA).

To them, we would like to reiterate our attachment to the ideal of African unity and to the institutions that embody it as well as our gratitude for and satisfaction with their exemplary devotion to African unity.

Mr. Chairman of the Conference of Ministers,
Ladies and Gentlemen,

My country's enthusiasm to host your meeting in Dakar, bears testimony to the conviction that we, the Senegalese, have in the decisive role that Africa's regional integration and co-operation must play in the development process of the continent. This is a fact for, indeed, the industrial sector, subject of your meeting today, constitutes one of the major challenges in the struggle for progress and development that our countries have been waging since independence.

As a matter of fact, the industrial sector, recognized as a determining driving force of growth, has received, since the wake of independence, special attention from African leaders. States and international organizations have devoted substantial investments to this sector.

Essentially, these investments which respect the choices of development policies that, sometimes, favour import-substitution industries, have made it possible to develop and strengthen the production capacities and machinery of our respective countries. The establishment of these infant industries was supported by protectionist mechanisms and systems which brought about the beginnings of expansion marked by an increase in value added of almost 8 per cent, at least up to 1970, in the manufacturing sector, as well as by some diversification in production.

However, this policy revealed its limitations in 1970 with the fall in demand and increased difficulties to ensure the supply of inputs and equipment. Essentially, this resulted from the considerable drop in the people's income and export earnings.

The trend of decline and stagnation in Africa's manufacturing industries, noted since 1970, continued up to the period 1981/1990 known as the First Industrial Development Decade for Africa.

Globally, production of the manufacturing sector has virtually stagnated, scarcely exceeding 10 per cent of the GDP of sub-saharan Africa, and providing less than 10 per cent of employment.

That said, it will be necessary that you examine the causes of such persistent stagnation in the African industrial sector and, mostly, the manufacturing sector, whose contribution towards production is still insignificant. I know that you are going to undertake, with lucidity and rigour, an exhaustive analysis of the weaknesses noted in the implementation of the programme of action of the First Industrial Development Decade for Africa.

The factors which I feel have had a negative effect on the implementation of the strategies and programmes of this Decade include, *inter alia*, high population growth, the inadequate involvement of the private sector, low productivity rates, the slump in export earnings whose attendant consequences are the debt burden, on the one hand, and a substantial decline in investments, on the other.

Therefore, you have to draw lessons from these weaknesses in order to prepare a correct strategy and a realistic programme for the Second Decade.

I am particularly pleased with the spirit of decentralization which prevailed in the preparation of this Second Decade and which enabled you to lay emphasis on national programmes whose important aspects should lead to the attainment of the major objectives we set for ourselves.

I would like, above all, to recommend that within the strategic approach to the issue, you give special attention to the maximization of the link between industry and agriculture, the strengthening of the role of the private sector and SMEs/SMIs, the place of the market in industrialization and the promotion of regional co-operation and integration.

If these strategic components are effectively considered in our programmes and reflected by appropriate projects, then our industrialization process would be greatly facilitated and its impact increased.

Experience has brought out the link between industry and agriculture and the impact that their development can have on each other. Against this background, it is necessary to lay emphasis on the fact that increased production and agricultural revenue could exert a decisive influence on market development; this, indeed, leads to an increased domestic demand of consumer and intermediate goods produced by industry.

Furthermore, the importance of meeting the needs of the greater number of our peoples, those engaged in agriculture, will contribute, considerably, to increase the number of small- and medium-sized enterprises (SMEs), small- and medium-sized industries (SMIs). The latter, as you know, are expected to play an important role in the industrial fabric of our respective countries and to serve as an effective instrument for the transfer of technology and the passage to large-scale industry. They are also expected to offer opportunities which favour an indispensable involvement of the private sector whose great possibilities to contribute to our development effort have so far not been sufficiently explored.

If we wish to put our economies on the path of lasting and beneficial recovery, entrepreneurship in our countries, found mainly in the informal sector, would be useful today provided it is oriented towards the productive sectors of industry and agriculture.

Besides, in order to ensure an industrial growth rate that is satisfactory and sustained, it will be necessary for us to improve upon market openings by creating regional markets capable of promoting production on a large-scale and preparing our industries for the gradual conquest of external markets.

Regional economic integration and co-operation, as has always been affirmed by President Abdou Diouf, remain our only solution if we wish Africa to avoid a fatal marginalization within the interplay of international economic relations.

I would not like to dwell upon this point if it were not to stress the need for us to devote even greater efforts to it. For, the tendency in the world today is to set up and consolidate major groupings such as the free trade zone which is being established between the United States and Canada; the present efforts of the United States to put Mexico and the whole of the South American continent on the same economic plane as the continent of North America; the re-distribution of roles in the Pacific with Japan as the centre; the big Germany an axis which cannot be avoided by the Eastern European countries; and, finally, the gradual setting up of the "single European" market which will become a reality in 1993.

It is also my hope that with the end of the apartheid system in the near future and the establishment of an era of political relations based on mutual trust among countries of the continent, an environment of integrated co-operation and economic dynamism will be created.

Concerning our external trade, I know all the pseudo-scientific arguments and subterfuge which are sometimes used by developed countries to close their markets to our products. Here, too, we must fight together for the establishment of equitable international trade links.

Apparently, the improvement of market conditions requires gradual elimination of barriers and tariff and non-tariff obstacles as well as the re-organization of the respective protectionist systems which we must undertake with conviction.

I would like to be well-understood on this point: it does not mean blind industrial "disarmament"; what we must seek in this field is to be able to establish adequate and necessary balance between

protectionism which strengthens the position of national industries and the competition which impels enterprises to innovate and increase their productivity.

Nevertheless, one of the major and unavoidable constraints to development and to the consolidation of industrial capacities in Africa remains its debt burden, which exceeded US\$250 billion dollars in 1989. Projections reveal that if no serious measures are taken, debt servicing could, in 1995, represent nearly 50 per cent of our export earnings.

This serious situation, which could destroy our development efforts and compromise the very survival of our peoples, underscores the urgent need for Africa to mobilize its forces to meet the challenge. And why not do this within the framework of broad-based negotiations by the countries of the South?

Ladies and Gentlemen,

You will be defining and preparing the strategies and programmes of action of the Second Industrial Development Decade for Africa (IDDA) which will cover the period 1991-2000.

A period of ten years in the life of a people is important. The ten years that lay ahead of us may be crucial for our continent whose economic evolution during the previous Decade was not encouraging.

Africa during the last Decade had even recorded, in its sub-Saharan part, a drop in its per capita income of about 1.2 per cent. Some projections envisage not more than 0.5 per cent growth in per capita income from now to the year 2000 as against 2.3 per cent forecast for the industrialized countries, 2 per cent for Latin America and 2.6 per cent for South East Asia.

It, thus, depends on us to ensure that Africa does not lag behind and that the next ten years will be, for our States, years of a real thrust to industrial growth and decisive economic expansion. This is possible. The African continent has considerable assets: gigantic hydro-electric potential, considerable mineral resources and, today, it has human resources well trained in the best schools and universities of Africa, Europe, America and Canada; indeed an impressive economic environment. In spite of all that, we need the political will to eliminate all the artificial barriers which divide us.

"Mis-development" and under-development are not a fatality. At the epoch of "Ife bronze", Africa had an industrial potential that Europe could envy. Thereafter, it fell into slumber at the very moment when Europe was awakening to modernity.

Africa has regained its freedom and the last vestiges of apartheid are being dismantled around the Cape of Good Hope. Today, there is new hope. Africa must rise to the economic challenge impelled by rural development, coupled with industrial development which your meeting should promote to be sustained by free and responsible people.

When Africa, "from North to South", shall awake to the economic challenge, then our voice shall be heard in the world. You are responsible for building this awakening and Africa looks up to you.

I wish your deliberations to be crowned with success commensurate with our expectations and I declare open, on behalf of President Abdou Diouf, the tenth meeting of the Conference of African Ministers of Industry.

ANNEX V

Resolution 3(X):
Vote of thanks to the
President, People and Government of Senegal

The Conference of African Ministers of Industry, at its tenth meeting in Dakar, Senegal, from 29 July to 31 July 1991,

Appreciative of the warm welcome and hospitality provided to the tenth meeting of the Conference of African Ministers of Industry by the Government and people of Senegal,

Inspired by the relentless efforts and unreserved dedication of the President of Senegal, His Excellency, Abdou Diouf, to the cause of African development through co-operation and integration,

Bearing in mind the orientations contained in the keynote address delivered by His Excellency, Mr. Habib Thiam, Prime Minister of Senegal,

1. **Expresses** its full appreciation to His Excellency, President Abdou Diouf for his contribution to the progress of Africa;
2. **Expresses further** its gratitude to the people and Government of Senegal for their warm hospitality, the excellent arrangements made for the Conference and the facilities put at the disposal of all delegations to the Conference, which greatly facilitated the deliberations and enabled the Conference to fully achieve its objectives;
3. **Commends** highly the leadership and efficient manner with which His Excellency, Mr. Alassane Dialy Ndiaye, Minister of Industry, Commerce and Handicrafts, presided over the tenth meeting of the Conference of African Ministers of Industry, thus enabling the meeting to conclude its deliberations successfully.