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ECONOMIC COMMISSION FOR AFRICA
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First meeting of the Ministerial Follow-up Committee
on International Trade and Finance for African
Development

Addis Ababa, 9-11 March 1981

NOTE ON THE IMPLEMENTATION OF THE AFRICAN STRATEGY IN
THE FIELD OF TRADE AND FINANCE AS PART OF THE
LAGOS PLAN OF ACTION

I. Introduction

1. It will be recalled that the Conference of African Ministers of Trade, at its sixth session held at Addis Ababa from 17 to 20 March 1980, agreed on proposals for an African strategy in the field of international trade and finance (including intra-African trade and finance). 1/ These were submitted for consideration to the sixth meeting of the ECA Conference of Ministers held at Addis Ababa from 9 to 12 April 1980 and subsequently to the second extraordinary session of the Assembly of Heads of State and Government of OAU held at Lagos in April 1980.
2. With few modifications, these proposals were adopted by the Assembly of Heads of State and Government and incorporated in the Lagos Plan of Action.
3. Chapter VII of the Plan accordingly sets down specific measures and mechanisms as well as a time-frame, wherever appropriate, for improving and facilitating African trade and finance. Its provisions relate to trade, including domestic trade, intra-African trade expansion, international trade and finance and participation in international negotiations.

1/ See "African Strategy in the field of international trade and finance (including Intra-African Trade and Finance)" E/CN.14/777 (ECM/ECO/6(XIV)), Add.2.

4. The task now facing the African region is therefore to implement the decisions taken by the Heads of State and Government, including those relating to trade and finance. There is no question that the Ministerial Follow-up Committee, to the extent that it has been charged inter alia with the task of monitoring the implementation of these decisions, has been called upon to play a key role in this respect.

5. The following paragraphs contain some suggestions aimed at assisting the Ministerial Follow-up Committee in fulfilling this role.

II. Possible monitoring mechanisms

6. First of all, a crucial, albeit obvious, point to be borne in mind is that the implementation of the Lagos Plan of Action in the trade and finance fields as well as in the other fields will depend primarily on action to be taken by member States individually and collectively at the national, subregional or regional levels. In other words, the role to be played by member States themselves cannot be overemphasized. Indeed, the supporting roles that must be played by the OAU and ECA secretariats in assisting member States in this process would quite clearly be frustrated in the absence of determined and sustained action by member States themselves.

7. This being said, to get the implementation process under way, those Governments which have not yet done so should make a careful evaluation of the implications of the Lagos Plan of Action against the background of the policies they now pursue in the fields of domestic trade, intra-African trade expansion, international trade and finance and participation in the international negotiations. In other words, what is required is that member States take a critical look at the policies they are carrying out with a view to ascertaining what "gap", if any, may exist between these policies and the relevant provisions in the Lagos Plan of Action, and what needs to be done to bring the former fully in line with the latter.

8. The logical next step would be for member States to revise their current and future development plans to ensure that the requirements of the Lagos Plan of Action are fully taken into account. Such a step appears to be all the more necessary as the Plan of Action in the field of trade and finance includes specific targets, such as the setting up of subregional preferential trade areas not later than 1984, which call for action and adjustments to be made at the national level if the targets are to be met at all.

9. Member States may also wish to establish appropriate mechanisms at the national level to monitor the implementation of the Lagos Plan. Such mechanisms could be in the form of a unit, such as planning divisions or units, for those countries where such entities already exist or any other co-ordinating unit located within Ministries of Trade. This unit would be given the specific task of ensuring not only that particular provisions of the Plan of Action, and more importantly the Lagos spirit, are duly reflected in day-to-day measures and regulations, but also that the necessary steps are taken to enable the interested country to meet specific targets and deadlines, and of reporting periodically thereon.

10. Furthermore, owing to the very nature of the Lagos Plan of Action with its strong emphasis on co-operative action between and among member States, there is no question that such monitoring mechanisms as may be created at national levels will need to be supplemented and co-ordinated at both the subregional and the regional levels.
11. In so far as the subregional level is concerned, instead of creating new structures, Governments might wish to take advantage of those which already exist, such as the MULPOC Committees of Officials and Councils of Ministers which meet once every year. A special item on the implementation of the Lagos Plan of Action in the field of trade and finance could be put on the agenda of these meetings to make it possible for each subregion to take stock of progress made by individual member States in the subregion and by the subregion as a whole in the implementation of the Plan, and decide what practical steps need to be taken to ensure that the objectives set forth in the Plan are implemented step by step and in a co-ordinated manner by each subregion. A major advantage in using the MULPOC framework would obviously be that the strategy in the field of trade and finance would be duly viewed and implemented as part of the over-all co-operative development strategy of member States, as was indeed called for by the African Ministers of Trade themselves at the sixth session of their Conference.
12. With regard to the regional level, member States might wish to decide that each MULPOC, through a designated spokesman, should report directly to the Ministerial Follow-up Committee on International Trade and Finance for African Development on the implementation of the Plan in the various subregions to enable the Committee, in turn, to monitor and assess over-all progress, and make appropriate recommendations to the Conference of African Ministers of Trade.
13. Lastly, it will be recalled that the Follow-up Committee on International Trade and Finance for African Development was, *inter alia*, entrusted with the task of monitoring the implementation of the African Strategy in the field of international trade and finance with special emphasis on intra-African trade and finance. The sixth meeting of the ECA Conference of Ministers, which in effect served as the preparatory session for the Lagos Summit, decided to include domestic trade, in addition to intra-African trade expansion, and international trade and finance and participation in the international negotiations as one of the sectors to be catered for in the proposals submitted to the OAU Summit. Provisions relating to domestic trade were accordingly adopted by the Heads of State, along with those on other sectors.
14. In the light of the above, the Ministerial Follow-up Committee might wish to consider the advisability of recommending to the Conference of African Ministers of Trade either that its present name should be retained or that it should be changed to "Ministerial Follow-up Committee on Trade and Finance for African Development" to cover all sectors provided for in chapter VII, including domestic trade, and that its terms of reference should be expanded accordingly.

III. Conclusion

15. These proposals are aimed only at assisting the Ministerial Follow-up Committee in fulfilling an essential part of the mandate given to it by the African Ministers of Trade at the sixth session of their Conference. They can naturally be modified or elaborated upon in any way the Committee deems advisable.

16. Should these suggestions find some measure of acceptance with the Committee, the Committee might wish to endorse them and thereafter submit them for consideration by the African Ministers of Trade so that appropriate follow-up action can be taken at the national, subregional and regional levels and the proposed mechanisms start to function as soon as possible.