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ECONOMIC COMMISSION FOR AFRICA

REPORT OF THE FIRST MEETING OF THE INTERGOVERNMENTAL  
COMMITTEE OF EXPERTS ON CHEMICALS FOR WEST AFRICA

Addis Ababa, 21-25 September 1981

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- (b) Formulation of programmes for the basic production facilities under consideration
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#### C. ACCOUNT OF PROCEEDINGS

5. Mr. Makonnen Alemayehu, Chief of the Industrial Operations Section of the Joint ECA/UNIDO Industry Division, opened the meeting on behalf of the Executive Secretary.

6. He stated that, in view of the priority accorded to basic industries, the ECA/UNIDO Division had organized a mission on chemicals in certain African countries, set up a special team and convened a meeting of experts on chemicals in 1979. One of the recommendations of that meeting had been that pre-investment studies should be undertaken on 16 ideas for projects, seven of which were for the West African subregion. Project descriptions had been drawn up based on those ideas and submitted to the fourth meeting of the Council of Ministers of the Niamey MULPOC, which had decided to set up an intergovernmental committee of experts on chemistry to promote multinational projects.

7. The meeting thus took on great importance in that it would lay the groundwork for urgently needed co-ordinated approach to the integrated development of chemical industries based on collective self-sufficiency. African economies were largely dependent on developed countries for their supplies of intermediate and finished chemical products, such as fertilizers, pesticides and pharmaceuticals. The industries which did exist generally worked with imported raw materials. The development of the chemical industry was an important factor in Africa's industrialization, and the underdevelopment of that subsector was one of the reasons for a drop in African production and the inability of the continent to feed and care for its population.

8. One of the characteristics of the chemical industry was its dependence on economies of scale and need for very high investments, which, along with a lack of certain necessary raw materials, prevented the implementation of some chemical industry projects in the subregion. The question of foreign exchange and market size in relation to the capacity of units of production were other obstacle. Because of those constraints, there was no doubt that individual countries concerned were not in a position to establish the chemical industrial complexes which they so badly needed. It was therefore necessary to act collectively and without delay in order to co-operate in the planning and production of basic and intermediate chemical products needed for agricultural chemical products and pharmaceuticals. He therefore invited participants not to overlook the possibilities of shared means of production during consideration of project descriptions or ideas. Participants

should exchange information and data obtained at the national level with respect to the development of the chemical industry, evaluate specific project ideas, define new ones and finally make recommendations concerning the major problems of a sub-regional programme of action for the integrated development of chemical industries and means of collaboration with respect to the integrated development of chemicals.

9. The UNIDO representative said that his organization agreed entirely with the idea of a joint approach to co-ordinating the development of the chemical industry and recalled that the Joint ECA/UNIDO Division had been making constant efforts over several years to assist African countries in promoting and developing the chemical industry on the basis of self-sufficient and autonomous industrialization. The development of the subsector should depend on relationships between capital inputs, the volume of operations and outlets. Developing countries had in fact made a number of costly mistakes which were not linked to their financial capacity. Nevertheless African countries would draw invaluable benefits from the rapid and ongoing growth of the chemical industry.

10. In his preliminary remarks, the Chairman recalled that the chemical industry was the very basis of industrial operations since other industries could not operate without it. If the chemical industry was to play its role in industrialization, efficiently it was essential to develop scientific capacity and resources in the area. One of the major obstacles, however, was the inadequacy of research and development tools in the subregion. The chemical industry was one of the basic industries which should be promoted and expanded with a view to the rapid development of agriculture, since it was the source of basic inputs such as agriculture, pesticides, etc.

11. He drew the attention of participants to the following objectives set by the Committee and invited them to comment on the major questions under consideration:

- (a) Critical consideration of the project profiles and proposal of ideas for additional project;
- (b) Exchange of information and data, especially with respect to efforts made by member States to develop the chemical subsector;
- (c) Review and analysis of problems and constraints hampering the development of the subsector;
- (d) Establishment of preliminary relations between project ideas and existing production facilities and projects at the national level;
- (e) Determination of additional activities to be undertaken to promote the implementation of project ideas; and
- (f) Formulation of conclusions and recommendations concerning problems and constraints, integrated programmes, modalities for co-operation and additional activities, to be submitted to the next MULPOC meeting for its consideration. The conclusions and recommendations should lead to a programme of action for the development of a subregional chemical industry as well as to collaboration among the member States concerned.

12. The UNIDO representative indicated that during consideration of project documents, representatives should keep in mind notions of autonomy and self-sufficiency in industrialization. It would therefore be necessary to consider the possibility of setting up initially small chemical industrial units. Nevertheless, it would also be necessary to think seriously of integrated programmes and measures for the installation of large-scale production units.

(a) Presentation of country and intergovernmental organization experiences

13. In introducing the experience of Benin, the Chairman said that agriculture was the mainstay of the economy, since 90 per cent of the population was engaged in agriculture, which provided 80 per cent of exports and 60 per cent of export earnings. Industrialization, based on objectives which were consistent with the Lagos Plan of Action, was a recent phenomenon aimed at meeting the basic needs of the population. There existed in the country production units to process local natural resources, such as palm oil, groundnuts, fruits and cotton. Plans existed to build cement, ceramics and pesticide factories. Research and development was conducted on marine and oil resources. There were also plans to build a compound fertilizer plant using imported raw materials and the recently discovered phosphate deposits. Furthermore it had been determined that the major obstacles to development of the chemical industries related to the supplies of raw materials, the acquisition of technology and financial and market circumstances.

14. The representative of Mali informed participants that the mining industry, agriculture and livestock breeding were the main economic activities of his country. The development of Malian agriculture required fertilizers. As Mali contained phosphate deposits, the government was planning to expand the fertilizer plant at Bourem. The country had two sugar refineries which also produced alcohol, whose production considerably exceeded national needs.

15. The Chairman asked the representative of Mali to elaborate on his country's experience concerning links between the distillery and the sugar refinery. The latter replied that no study had been done on the use of alcohol produced by the distillery, which led to the current difficulties.

16. The representative of Senegal informed participants that only one company, the Societe industrielle des engrais du Senegal, had been producing fertilizers over the past 10 years. A new fertilizer plant was being set up by the Societe des industries chimiques du Senegal (ICS). Project costs were estimated at 60 billion CFA francs. The partners of ICS were the governments of Senegal, the United Republic of Cameroon, the Ivory Coast and Nigeria. The complex would probably be operational in 1984.

17. The representative of BOAD said that his organization was participating in all sectors, except for real estate and the social sectors. A division had been established within BOAD for the promotion and implementation of industrial and agro-industrial projects.

18. BOAD could participate in other activities of the project cycle, for example, in the identification of partners to collaborate in projects and in negotiations for the mobilization of financing.

19. Following the intervention concerning BOAD experience, participants considered the questions raised and asked if the pharmaceuticals project would involve the use of medicinal plants in Africa. The BOAD representative said that the feasibility study would determine the raw materials to be used and the pharmaceuticals to be manufactured.

20. The OCAM representative told participants that OCAM consisted of nine member States, six of which were in West Africa, two in Central Africa and one in East Africa. The organization had an economic affairs department which identified projects and assisted member States in their implementation, generally with the collaboration of other United Nations bodies (UNIDO, ECA, etc.). The areas of interest to OCAM were the identification of traditional medicinal plants and the establishment of a factory manufacturing pharmaceuticals from those plants, as well as the manufacture of phosphate fertilizer.

21. The WARDA representative, after stating that his organization consisted of 15 member States and that its main objective was to assist member States in becoming self-sufficient in rice production, underscored that farmers who should use fertilizers and pesticides did not actually have much access to the products. Furthermore the organization conducted widespread research and training and assisted member States in implementing their programmes.

22. The UNIDO representative told participants that during the second programming cycle, 1977-1981, the organization had financed, through one of its source of financing, the United Nations Industrial Development Fund (UNIDF), industrial projects totalling approximately \$US 14 million, which should double during the third programming cycle, 1982-1986, if the donor countries and funding institutions concerned were willing to provide the necessary resources to implement bankable projects. Another member of the UNIDO secretariat said that his organization was actively involved in the development of the chemical industry in the subregion. A study had been conducted on medicinal plants in West Africa and UNIDO had close working relations with intergovernmental organizations in the subregion such as ECOWAS CEAO, OMVS and others. It also assisted intergovernmental organizations in all industrial activities from the start of a project to its actual implementation.

23. The ECA representative described efforts made by the secretariat to encourage countries to develop the chemical subsector collectively since most countries individually were not in a position to carry out sophisticated projects. The secretariat had therefore identified the major areas of the chemical industry of vital importance for Africa and drawn up project profiles concerning those areas. Among others, it had been conducting market studies on potassium and other types of prefeasibility studies on the manufacture of pesticides and pharmaceuticals. Most ECA activities concerning chemicals were basically financed from the African trust funds fed by member States at the pledging conferences.

(b) Characteristics, strategies, priorities and constraints of the chemical subsector (agenda item 5)

Characteristics

24. In introducing the document, the representative of the secretariat emphasized that the chemical subsector provided, along with metallurgy, factors of production

which were essential for industry as well as for other economic and social activities. In Africa today, the chemical industry was largely dependent on imported inputs, and production facilities were limited in most cases to the preparation of mixtures of finished goods imported in bulk. There were obviously serious obstacles to the development of the subsector. Development planning of the chemical industry subsector at the national or multinational level required knowledge of the characteristics of the subsector listed in the section of the document entitled "Major issues for discussion" (ECA/INR/WA/Chem/1/1).

In short the principal characteristics were: diversity and heterogeneity of products, products competing with traditional products, viability dependent on an integrated approach and economic outlets for co-and by-products, alternative processes and raw material combinations for the production of the same products, complex and sophisticated technology involving continuous and multi-stage processing, capital intensity (highly subject to economies of scale) at the basic and intermediate production level, high energy requirements for certain products, high proportion of highly qualified personnel requirements, etc. Participants were therefore requested to take those characteristics of the chemical industry into account in formulating policy, strategies, projects and programmes to implement.

### Strategies

25. The question of strategies was introduced by a UNIDO representative, who focused basically on a priority product, fertilizers. He said that fertilizers in themselves did not matter; the objective was to increase food production. The strategies to establish a fertilizer production plant depended on the capacity to finance the project, the availability of foreign exchange, manufacturing processes and combinations of raw materials for example, factories using naphtha as a fertilizer input were not justified at the present time because of the high price of naphtha. It had been established that natural gas was the most economical basic raw material in the production of ammonia. The operating level of the factory was another factor to consider in a strategy firmly based on a balance between the supply of and demand for fertilizers.

26. The UNIDO representative said in conclusion that the best strategy for the countries of the subregion would consist in pooling of their resources in order to establish multinational enterprises which would share costs.

27. Concerning characteristics of the chemical subsector and strategies for its development, it was suggested that, although the chemical industry was subject to economies of scale, the establishment of small-scale plants could be fostered in some areas where basic raw materials were available, thus reducing transport costs. The representative of the ECA secretariat agreed that there existed possibilities for small-scale units, but that quite how to establish them was not clear. As deposits of basic raw materials and energy resources were often not known, the viability of small units was not apparent. One example of co-operation was the project of the Societe d'industrie chimique Senegalaise with the United Republic of Cameroon, the Ivory Coast and Nigeria as shareholders. Such a project was the type of co-operation which could be promoted to develop the chemical industry in the subregion.

(c) Project profiles on chemical industries (agenda item 6)

28. A representative of the secretariat, in introducing the item, reiterated that initially 16 project ideas had been identified. The four project profiles on ammonia, phosphoric acid, and active ingredients for both pesticides and pharmaceuticals had been selected on the basis of the ideas identified. The food deficit in Africa was increasing at an alarming rate. The figure of 18 million tons of imported grains foreseen for 1990 had been attained in 1978. The use of chemicals in agriculture, such as fertilizers and pesticides, constituted therefore the most expeditious short-term and long-term measure. Health conditions in most African countries were rather mediocre and the consumption of pharmaceuticals was quite low.

29. He also mentioned that, in spite of the fact that developed countries were highly industrialized with more favourable economic and market conditions, they nevertheless took steps to co-operate in the industrial area.

Ammonia plants

30. With respect to ammonia production, Nigeria was now building a plant with a capacity of 500,000 tons per year, which could meet the needs of the subregion during the 1980s, but alone would be insufficient for the subregion in 1990. Since ammonia could be obtained from natural gas, petroleum products, heavy oil and coal, the Committee favoured the use of natural gas because it had definite advantages (lower production costs and investments). The use of naphtha should not be encouraged as quantities available were generally insufficient and world prices at present were extremely high.

Phosphoric acid plants

31. Phosphoric acid production should also be encouraged since there were phosphate deposits in some countries of the subregion. Considering the large investments required to establish ammonia and phosphoric acid production plants, the meeting agreed that the short-term solution in that respect was to strengthen existing facilities and to make the facilities and projects which were under construction in Nigeria, Senegal and Togo regional in scope. Nevertheless, it would be helpful to evaluate the projects to determine their real impact in the subregion. Once the planned capacities had been defined, it would be easy to estimate demand to be met in the subregion. As of now, however, it was possible to foresee the establishment of an additional phosphoric acid unit in the 1990s.

Production of active ingredients for pesticides

32. With respect to active ingredients for pesticides, the Meeting agreed that, in view of the complexity of certain technical processes, the subregion would have to select the pesticides it would manufacture. Since some of those pesticides had been banned by developed countries, an advisory meeting of representatives of institutions dealing with the matter and of parties concerned should be held to select the pesticides which would be produced in the subregion. Moreover, given the fact that the subregion did not contain most of the raw materials needed for their production, the Meeting firmly recommended that a feasibility study should be undertaken to determine the choice of active ingredients and the location of the future plants.



33. The Committee considered the production of veterinary products and recommended that ECA should include them among priority products (agenda item (b)) in the programme.

Production of active ingredients for pharmaceuticals

34. With respect to the proposal concerning the establishment of plants for the production of active ingredients for pharmaceuticals, it was recognized that, given the mediocre health conditions and high cost of imported pharmaceuticals, the countries of the subregion should seriously consider the construction of plants to produce antibiotics, vitamins, analgesics, sulfanilamides, malaria prophylactics, serums and vaccines. The pharmaceutical industries manufactured a wide range of products, some of which required high technology. Since no country alone could produce all the required medications and economies of scale had a serious impact on the manufacture of a large number of products, the Meeting considered the additional subregional production units should be set up in the interest of member States.

35. It was noted that the subregion did not have a plant manufacturing active ingredients for pharmaceuticals. Nigeria intended to manufacture antibiotics, malaria prophylactics, vitamins, etc. Several other countries contained units which produced, from imported active ingredients, syrups, capsules, tablets, etc. The possibility of using African medicinal plants as factors of production for malaria prophylactics and vitamins was considered. Some raw materials, especially those used to manufacture antibiotics and malaria prophylactics, were found in the subregion. However, at an initial stage, a large portion of raw materials had to be imported.

36. The Meeting expressed the belief that the establishment of pharmaceutical plants was necessary, but that a survey should be undertaken on the current situation of plants and the possibility of converting some of the plants in the subregion into subregional units. As for most chemical industries, regional co-operation was also essential here. However, as pharmaceuticals were neither heavy nor voluminous, there was a greater choice in siting the construction of pharmaceutical units. It was agreed that, in addition to the plant to be built in Nigeria, two or three others could be established in the subregion in the framework of harmonious and integrated development.

37. The impact of transnationals was emphasized in particular. Furthermore, it was stressed that the subregion would have to confront certain difficulties in establishing pharmaceutical plants, since transnationals were very active in the field. The experience of Morocco, however, seemed to prove the opposite. Morocco had broken its ties with transnational pharmaceutical companies and decided to manufacture pharmaceuticals itself. In spite of all pessimistic forecasts concerning the pharmaceutical industry in the country, local production now accounted for about 80 per cent of Moroccan consumption of pharmaceuticals. The Meeting thus recognized that two or three plants for the manufacture of active ingredients for pharmaceuticals should be established in the subregion. The active ingredients manufactured by the plants would be distributed to packaging units located in different countries, which in turn would manufacture the finished products for their national markets.

37. With respect to the siting of plants, participants felt that detailed feasibility studies would help in the selection of sites. It would be necessary to take into account a harmonious and integrated approach to development in the subregion and distribute the plants appropriately in various countries.

(d) Problems and constraints

39. The problems and constraints were related to the characteristics of the chemical industry, a lack of co-operation and co-ordination among member States with respect to the formulation of policies and programmes and the establishment of joint enterprises, the inadequacy of information on raw materials, the absence of skilled labour and the insufficiency of funds and foreign exchange to plan and carry out projects. Participants agreed that the particular nature of the chemical industry was the source of a number of problems and obstacles which hampered the development of the subsector. They noted that chemical industries, which were by nature diversified, excluded the possibility of self-sufficiency with respect to chemicals. The scale of national markets and the vast size of production facilities as well as high investment costs and a shortage of foreign exchange were all factors which made co-operation in chemical industries necessary. Chemicals should therefore be a priority subsector in the subregion's industrial activities. It was thus decided to submit the project profiles, which had already been prepared, to subregional and other appropriate institutions able to promote them and contribute to their implementation.

40. With respect to raw materials, it was decided that it was necessary to conduct surveys on existing natural resources. Nevertheless, the question of personnel required special attention. In order to train the necessary highly skilled personnel, member States should, individually or collectively, formulate policies, strengthen and develop teaching and technical institutions and start immediately to train a core of personnel capable of drawing up, promoting and implementing projects for the chemical industry.

41. The mobilization of financial resources was a significant obstacle to the development of the chemical industry. In most cases chemical industries were highly capital- and resource-intensive, requiring high investments. Since it was likely that member States could collectively mobilize financial resources or successfully negotiate for them abroad, the Meeting adopted a proposal aimed at encouraging enterprises in countries of the subregion to make their chemical factories and projects regional in scope especially as regards ammonia, phosphates, pesticides and pharmaceuticals.

42. With respect to measures for implementation, an institutional mechanism should be set up. Meanwhile, the Intergovernmental Committee of Experts should meet periodically to examine the various phases of the project proposals.

(e) Presentation of the Chemical Industry Development Programme

43. The representative of the secretariat informed participants that, following the report of a mission on chemicals, a project document had been drafted and submitted to UNDP for necessary funding. A meeting of experts had approved the document and had given its support for UNDP financing. Three organizations, ECA, UNIDO and ILO had subsequently revised the document indicating the terms of reference of each of

the organizations. The project in question had two major objectives: determination of the impact of the chemical subsector on Africa's industrial development with a view to attaining the objectives of the Lima Declaration and the pre-investment component, which aimed at conducting prefeasibility studies on certain project ideas, primarily those which constituted the theme of the Meeting. Following consideration of the project document, the experts felt that the document deserved the support of member States.

#### D. RECOMMENDATIONS

44. At its first meeting, the Intergovernmental Committee of Experts on Chemicals for West Africa made the following recommendations:

(a) Policies, strategies and priority areas for the development of the chemical subsector

45. The development of the chemical subsector should be accorded high priority during the Industrial Development Decade for Africa, since it provided basic factors of production to industry and other economic and social sectors and most chemicals were directly related to the satisfaction of basic needs, the most important of which were food and health.

46. It was important to be familiar with the characteristics of the subsector, which were listed in chapter I of the document entitled "Major issues for discussion" (ECA/INR/WA/Chem/1/1) and to take them into consideration in the formulation of a development policy in the chemical subsector.

47. Those characteristics implied that, to be competitive, the projects identified for the subregion should have an optimal size, as the cost of units of production was high and their capacity was greater than demand in each country. It was important to define as a matter of urgency practical means of co-operation among member States. In other words, projects related to the chemical industry in the subregion should be designed as joint enterprises bringing together a number of countries which could share costs and benefits. That held true both for existing chemicals factories and for the establishment of multinational complexes.

48. Existing or future chemical industries in the subregion should use local resources as much as possible, focus on the satisfaction of the subregion's need (import substitution), consider possibilities for export and even attempt to create a multiplier effect by manufacturing chemicals which were factors of production for other industries.

(b) Priority projects in the chemical subsector

49. Participants selected priority chemical products defined on the basis of agricultural and health needs for factors of production. It would still be necessary to give a regional scope to the means of production and present and future projects. To that end the following recommendations should be carefully studied:

(i) Production of ammonia:

The Nigerian project should be made subregional in scope;

Another project based on natural gas, the most appropriate and least expensive raw material, should be implemented towards 1990;

(ii) Production of phosphoric acid:

The Meeting welcomed and encouraged the participation of Nigeria, the Ivory Coast, the United Republic of Cameroon and India in the Senegalese company (Societe des industries chimiques du Senegal). The meeting recommended similar co-operation with respect to the Tocolense project;

(iii) Production of active ingredients for pesticides:

The meeting recommended the organization of a consultative meeting to identify and select the most widely used pesticides and to undertake feasibility studies on regional production facilities;

(iv) Production of veterinary products:

Same as (iii);

(v) Production of active ingredients for pharmaceuticals:

The meeting recommended that feasibility studies should be conducted in collaboration with WHO, on the manufacture and extraction of specific active ingredients for commonly used pharmaceuticals.

(c) Modalities for co-operation and co-ordination

(i) Mechanism for implementation

50. The Committee, assisted by ECA and UNIDO, in its role as a co-ordinator, recommended that ECOWAS and other intergovernmental organizations should make efforts to promote and implement projects related to the chemical industry. Moreover it was necessary to strengthen or develop the resources and capacity of the institutions and government mechanisms to deal with all the aspects of the problem.

(ii) Pooling of national markets

51. Given the limited nature of national markets and the fact that the chemical industries were sensitive to economics of scale, the Committee recommended, in the context of subregional co-operation, that member States should pool their resources and their markets.

(iii) Joint exploitation and trade of raw materials and energy resources

52. Considering the significant possibilities for co-operation in raw materials and energy, the Committee recommended that member States, assisted by inter-governmental organizations, should double their efforts towards the joint exploitation of and trade in raw materials and energy.

53. It was suggested that an inventory of natural resources used in the development of the chemical industry should be drawn up, especially for the four projects identified in the project profiles.

(iv) Joint training of manpower

54. Since the chemical industry required skilled technical and managerial personnel and it was necessary for States to design a joint policy with respect to training, the Committee recommended that member States should strengthen existing and develop new teaching and technical institutions, while giving them a subregional scope.

(v) Joint approach to the acquisition of consultancy services, technology, equipment, etc.

55. In view of the complexity of technical and financial data of the chemical industry dominated by transnational companies, the Committee recommended that the countries of the subregion should establish a joint negotiating body, which would develop its negotiating power to enable the subregion to acquire technology, technical know-how and modern equipment and operate under better conditions. It was suggested that the services of certain African regional centres, specifically the African Regional Centre for Technology at Dakar, the African Regional Centre for Engineering Design and Manufacturing at Ibadan and the African Regional Centre for Consulting Engineering and Management, which was then being set up, should be fully utilized to conduct and evaluate preinvestment and feasibility studies and to select equipment.

(d) Additional activities

56. Recognizing the need to carry out additional activities, the Committee proposed the following measures:

(i) The Chairman of the Committee would visit ECOWAS and some countries of the subregion which had not participated in the Meeting in order to inform them of the results of the Meeting and the additional activities proposed. Moreover the Chairman of the Committee would submit the Meeting's report to the next meeting of the Council of Ministers of the Niamey MECCO;

(ii) The Committee would urgently request member States:

1. To take note of the report and take the necessary measures to implement its recommendations;
2. To draw up an inventory of their raw materials and energy resources and to carry out, whenever necessary, field activities in order to determine the economic viability of those resources;
3. To do their utmost to participate in future committee meetings and, with a view to ensuring continuity, to be represented by the same person(s);

4. To take measures to set up national chemical companies or similar mechanisms to promote the development of the chemical industry subsector and to act as a liaison with similar subregional institutions;
- (iii) ECOWAS should play a co-ordinating role by organizing future committee meetings and activities related to the development of the chemical subsector in the subregion, in consultation with other intergovernmental organizations, ECA and UNIDO;
- (iv) ECOWAS, in collaboration with other intergovernmental organizations, should set up mechanisms to establish multinational chemical product companies;
- (v) ECA should disseminate to the subregional institutions concerned copies of the project profiles on chemical products and the committee report as well as other related documents;
- (vi) The date, venue and agenda of the second meeting should be decided by ECOWAS, in consultation with ECA and UNIDO, following the next meeting of the Council of Ministers of the Niamey MULPOC.

(e) Other recommendations

57. The Meeting also made the following recommendations;

- (i) Because of the key role played by certain intergovernmental organizations of the subregion in the development of the chemical industry subsector, the Committee recommended that those organizations should become full member of the Committee;<sup>1/</sup>

- 
- <sup>1/</sup> The West African Rice Development Association (WARDA)  
 The Liptako-Gourma Region Integrated Development Authority  
 The River Niger Commission  
 The African Development Bank (ADB)  
 Banque ouest-africaine de Developpement (BOAD)  
 Banque centrale des etats de l'Afrique de l'ouest (BCEAO)  
 The Economic Community of West African States (ECOWAS)  
 The West African Economic Community (CEAO)  
 The Permanent Inter-State Committee on Drought Control in the Sahel (CILSS)  
 The Mano River Union  
 The African and Mauritian Common Organization (OCAM)  
 The Organization for the Development of the Gambia River (OMVG)  
 The Organization for the Development of the Senegal River (OMVS)

## A. ORGANIZATION AND ATTENDANCE

1. The first Meeting of the Intergovernmental Committee of Experts on Chemicals for West Africa was organized by the Economic Commission for Africa (ECA) and the United Nations Industrial Development Organization (UNIDO) at Addis Ababa, Ethiopia, from 21 to 25 September 1981.

Attendance and election of officers

2. Representatives of the following member States and organizations participated in the meeting: Benin, Guinea, Mali, Senegal, OCAM, BCARD, WARDA, NBA and WHO.

3. The representative of the secretariat took note of difficulties in air connexions with Addis Ababa during the period of pilgrimages to Mecca, which explained the poor attendance of member States and intergovernmental organizations even though they had indicated that they would attend. The representative of the secretariat suggested that, in view of the important and increasing role played by the intergovernmental organizations, they should be accorded full membership in the Committee and that the Bureau of the Meeting should consist of one representative of a member State and one of an organization. The meeting took note of that decision but decided that the bureau should consist of Mr. Ernest Godonou of Benin as Chairman and Mr. Moise Kodio of Mali as Rapporteur.

## B. AGENDA

4. The following agenda was adopted:

## 1. Opening of the meeting

(a) Opening statement by the Executive Secretary of ECA

(b) Statement by the representative of UNIDO

## 2. Election of officers

## 3. Adoption of the agenda and organization of work

## 4. Presentation of country and intergovernmental organization experiences

## 5. Characteristics, strategies, priorities and constraints of the chemical subsector:

(a) Characteristics of the chemical subsector, basis for policy formulation

(b) Strategies for developing the chemical subsector

(c) Priorities in the chemical subsector

(d) Problems and constraints

## 6. Presentation of and discussion on the "Project profiles on chemical industries" (ECA/MULPOC/Niamey/IV)

## 7. Special issues requiring detailed discussions and recommendations:

(a) Formulation of policies and strategies for the development of the selected basic projects

- (ii) The Meeting urgently requested UNDP to approve the project document on the Chemical Industry Development Programme, which had already been submitted to it;
- (iii) The Committee recognized the potential risks of competition with transnationals, especially in pharmaceuticals. Consequently, it noted that, with the establishment of carefully studied collective planning and efficient management of production facilities, the risks could be avoided in the chemical industry.

58. The report of the first Meeting of the Intergovernmental Committee of Experts on Chemicals for West Africa was adopted with some necessary amendments. The Chairman declared the meeting closed on Friday 25 September 1981 at 10:20 p.m.

Done at Addis Ababa  
7 October 1981.