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UNITED NATIONS ECONOMIC COMMISSION FOR AFRICA

Multinational Programming and Operational
Centre (MULPOC) for Eastern and
Southern African States

Fifth Meeting of the Lusaka-based MULPOC Committee of Officials
March 17-22 and Fifth Meeting of Council of Ministers
March 23-25, 1982

Lusaka, Republic of Zambia
17 - 25 March 1982

Report to the Sixth Conference of African Ministers
of Industry, Addis Ababa, 23 - 25 November, 1981

Table of Contents contd:

	<u>Paragraphs</u>	<u>Page</u>
Guidelines for the Formulation of Strategies for Major Industrial Subsectors and Areas (1980-1990) (ECA/IDD.1/INR/WP/2)		
A. Major Priority Industrial Subsectors	13 - 20	19
B. Major Factors and Related Inputs	21 -	22
C. Energy	22 - 24	23
C. ELECTION OF THE FOLLOW-UP COMMITTEE ON INDUSTRIALIZATION IN AFRICA (agenda item 8)	25 -	25
D. DATE AND VENUE OF THE SEVENTH CONFERENCE OF AFRICAN MINISTERS OF INDUSTRY (agenda item 9)	26 - 27	25
PART THREE - RESOLUTIONS		
1(VI) - The formulation and implementation of a programme for the Industrial Development Decade for Africa		26
2(VI) - African Industrial Development Fund (AIDF)		35
3(VI) - The Establishment of an International Bank for Industrial Development		36
4(VI) - Vote of thanks to the Government and people of Socialist Ethiopia		37

PART ONE

ACCOUNT OF PROCEEDINGS

A. ATTENDANCE AND ORGANIZATION OF WORK

1. The sixth session of the Conference of African Ministers of Industry sponsored by the Economic Commission for Africa (ECA), the Organization of African Unity (OAU) and the United Nations Industrial Development Organization (UNIDO) was held at Addis Ababa, Ethiopia, from 23 to 25 November 1981.
2. The Conference was attended by representatives of the following countries: Algeria, Angola, Benin, Botswana, Burundi, Comoros, Congo, Egypt, Equatorial Guinea, Ethiopia, Ghana, Guinea Bissau, Ivory Coast, Kenya, Lesotho, Libyan Arab Jamahiriya, Malawi, Mali, Mozambique, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, Sudan, Swaziland, Togo, Tunisia, Uganda, the United Republic of Cameroon, the United Republic of Tanzania, Upper Volta, Zaire, Zambia and Zimbabwe.
3. The United Nations Development Programme (UNDP), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Environment Programme (UNEP), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the Food and Agricultural Organization of the United Nations (FAO), the World Health Organization (WHO), the International Labour Organization (ILO) and the International Trade Centre (ITC) were represented in an observer capacity.
4. The West African Market Research and Investment Analysis Agency (WAMARIAA), the African Regional Organization for Standardization (ARSO), the African Reinsurance Corporation (AFRICA-RE), the African Regional Centre for Engineering Design and Manufacturing (ARCEDEM), the Intergovernmental Bureau for Informatics (IBI), the African Intellectual Property Organization (AIPO), the African Institutes for Higher Technical Training and Research (AIHTTR), and the Industrial Property Organization for English-speaking Africa (ESARIPO) were also represented in an observer capacity.

Opening of the meeting

5. The session was called to order by H.E. Mr. Tesfaye Dinka, Minister of Industry of Ethiopia, in his capacity as the Chairman of the fifth Conference of African Ministers of Industry. The Chairman, on behalf of the outgoing bureau of the fifth conference of African Ministers of Industry, welcomed delegates to the sixth Conference and briefly reviewed the activities of the bureau for the last two years. He referred to the solidarity among African States in preparing for and participating effectively at the third General Conference of UNIDO. Disappointed with the overall outcome of UNIDO III, the need for a reliable strategy of development based on self-reliant and self-sustained industrialization becomes more apparent. Accordingly, the Ministers worked out detailed proposals for industrial development in Africa which were embodied in the

Lagos Plan of Action and adopted at the first Economic Summit of African Heads of State and Government in Lagos, April 1980.

6. One of the few positive and practical results of the third Conference of UNIDO was the unanimous declaration of 1980 to 1990 as the African Industrial Development Decade. The Chairman commended the efforts which were being made by the administrative heads of OAU, ECA and UNIDO to promote African industrialization. He noted the UNDP's increasing role also in that field. The Chairman then introduced Comrade Tisseha Desta, Assistant Secretary General of the Provisional Military Administrative Council (PMAC) of Socialist Ethiopia, Deputy Chairman of the Council of Ministers and member of the Executive Committee of COPWE, and invited him to formally open the Conference.

7. In his address, Comrade Fisseha Desta observed the existing unsatisfactory economic situation in Africa and pointed out the important role which industrialization has to play in remedying the situation. He reviewed the general existing industrial structures in Africa highlighting constraints and weaknesses which needed urgent remedial actions to overcome them. These weaknesses included, among others, unfavourable terms of trade to finance African industrialization; failure in promoting manufactures for the broad masses; lack of sectoral linkages; very limited processing activities in respect of local natural resources; excessive external dependence; and inappropriate use of foreign technology and unwise location of industries, creating disparities between the rural and the urban sectors. He briefly recounted his country's experience in economic development and planning since its revolution and pointed out the important place which manufacturing has been assigned. Comrade Fisseha Desta commended the Lagos Plan of Action as a great effort towards assessing Africa's economic problems and providing lasting solutions. He, therefore, pledged his country's fullest support and appealed to all member States to fully co-operate in implementing the Plan. On the global energy problem, he urged that special emphasis be given to research and development activities in new and renewable sources of energy during the decade.

8. Comrade Fisseha pointed out the significance of the Conference which was not only to assess the industrialization of Africa but to chart out strategies for Africa's industrial development based on the needs of the population and its indigenous resources.

9. He concluded by stressing the importance of the decade, the large quantity of inputs required for its successful implementation, the assistance which is expected from international financial institutions and organizations, and warned that the success of the decade will depend on the political commitment of the African countries, their sacrifices and degree of economic co-operation.

10. In his statement, the Executive Director of UNIDO, emphasized that the present session of the Conference could be regarded as the culmination of African initiatives which finally led the UN General Assembly to proclaim the 1980 as the Industrial

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10. In his statement, the Executive Director of UNIDO, emphasized that the present session of the Conference could be regarded as the culmination of African initiatives which finally led the UN General Assembly to proclaim the 1980 as the Industrial

Development Decade for Africa. He stressed the importance of the Conference of African Ministers of Industry, acknowledged the leading role which Africa played in the preparations and deliberations of UNIDO III, and noted that UNIDO IV would be held in Africa on the kind invitation of the President and Government of Kenya.

11. The Executive Director of UNIDO underlined the harmonious co-operation which has characterized the joint effort of the OAU, ECA and UNIDO secretariats in taking follow-up action of assistance to the African countries in the implementation of the Decade. He noted that documents had been prepared and examined by an intergovernmental meeting of African experts on the practical industrial strategies and actions to ensure the implementation of the Decade. These documents encompassed the strengthening of institutions at all levels; industrial planning and manpower development; science and technology; consultations and negotiations; the mobilization of financial resources; and regional and subregional intra-African industrial co-operation.

12. He noted that the need to mobilize financial resources for industrial development in the Third World, which was recognized at the Third General Conference of UNIDO, has become a major feature at many international conferences. As requested by UNIDO III, the secretariat has been asked to prepare and convene an intergovernmental meeting with the aim of setting up a New International Financing Facility, since finance for industry was extremely limited from traditional sources and most developing countries did not have access to commercial bank funds.

13. The impossibility for any country to obtain self-sufficiency in food without industrialization was emphasized by the Executive Director of UNIDO, who also noted that despite well conceived programmes of action, the effect of unfulfilled promises by the North towards Global Development was more sharply felt in Africa than in other continents. Against this weakness in real commitment among the industrialized countries, it was imperative that African leaders together with leaders of all developing countries, had to accelerate the process of adopting and implementing national self-help policies and genuine subregional and regional industrial co-operation on a wide scale. In stressing the unavoidable need for the African countries to self-help programme, rather than solely relying on external assistance, he concluded by noting that resources available in Africa are commensurate with the political will to mobilize them.

14. In his statement, the Executive Secretary of ECA, made a brief reference to the unsettled international situation and the five major economic crises looming menacely over the African region namely: the food crisis; the energy crisis; the balance of payments crisis; the mounting external debt burden crisis; and poor economic management. These crises indicated that the African region must increasingly depend on its own efforts rather than on the outside world. He invited the Ministers of Industry to resolve to ensure the full implementation of the African Industrial Development Decade Programme. The refashioning of the modalities

and capabilities for implementation of the programme must, of course, take into account the fact that poor organization of production and distribution, absence of skills for design and formulation of projects, procurement of equipment and negotiations for technology, constituted the greatest features facing Africa's underdevelopment, and that was where Africa's dependence on the external world was being greatly pronounced. Furthermore, the reorganization of Africa's economies to utilize its abundant resources must be the subject of major concern if it was to meet the needs of its own peoples.

15. There was a determination on the part of the ECA, OAU and UNIDO secretariats to continue to work together for the successful realization of the Decade objective. He emphasized, however, that the secretariats' success depended mainly on what the 50 member States would do, individually, jointly and severally, in assuming their own responsibilities of laying a firm and solid foundation for the industrial revolution of Africa.

16. In his opening statement, the Assistant Secretary-General of OAU in charge of Economic Development and Co-operation, stated that the task before Africa today was to build on the foundation of unity so that Africa could withstand impending economic crisis. He stressed that the adoption of the Lagos Plan of Action for economic development of Africa during the next two decades should not be seen as an end in itself. It is on the implementation side, at the national, subregional and regional levels, that the challenge really lies. He further emphasized that effective implementation of the Lagos Plan of Action will, to a large extent, hinge on the industrial sector.

17. He also reiterated that Africa could achieve self-reliant and self-sustained industrialization through judicious exploitation of its natural resources and through intra-African industrial co-operation. He recalled the request of the OAU Summit in Nairobi in June 1981 to the sixth Conference of African Ministers of Industry to provide a common African policy guidance and adopt a framework for the Programme of the Decade which would be an important step towards the implementation of the Lagos Plan of Action in the field of industry.

18. He expressed the concern of OAU secretariat on the poor attendance of member States at important conferences in Addis Ababa and suggested as a way out, that member States consider strengthening their embassies in Addis Ababa to enable them to cope with the nature of assignment at this station. He concluded by paying tribute to the existing co-operation among ECA, OAU and UNIDO and called for the strengthening of this co-operation for effective implementation of both the Decade Programme and the Lagos Plan of Action.

19. The UNDP Assistant Administrator and Regional Director for Africa, in his statement, emphasized that in order to achieve the clearly stated objective of the continent's self-sufficiency as reflected in the Lagos Plan of Action, the African countries had two options. One was for the region to chew what the industrialized

countries had already digested. He advised against this option but instead urged the African countries to apply, in an appropriate manner, all the existing technologies including the most sophisticated. The second option was the technological revolution way which he strongly recommended and which implies a substantial development of the region's human resources and the establishment of a scientific infrastructure to sustain such human resources development.

20. He then emphasized the crucial role played by informatics in all activities of scientific and technological revolution. In this connexion he added that the dissemination of computer science was a prerequisite for the development process and that the combined development of communications satellites and informatics should be taken into account when elaborating industrial development strategy for Africa.

21. With regard to the aims of the Industrial Development Decade, it would be most meaningful if it would primarily prepare the African countries to fully participate in the current technological revolution. He urged the African countries to accord high priority to computer science in their technological and scientific development programmes, and to participate in the programmes for development of informatics in the Third World. The organization of such technological revolution in the African countries required a real revolution also in their education systems, stressing the importance of intra-African co-operation in this area.

22. The UNDP gave full support to the Decade Programme. Actually UNDP had earmarked 5.5 million dollars for the financing of the ongoing industrial inter-country projects for the African Region during the 1982-1986 cycle, while a provision of 3.0 million dollars was made for the same period as the UNDP minimum contribution to the Decade Programme, not to mention 5 other million dollars reserved for projects in the related field of energy. The UNDP Assistant Administrator indicated that in view of limited volume of assistance from UNDP, a multi-doner approach could be adopted by African countries in a given subregion to co-operate with a view to ensuring proper financing of industrial projects in the subregion.

23. In offering a vote of thanks to Comrade Fisseha Desta, on behalf of the Conference H.E. the Minister of Industry of the Republic of Kenya underlined the importance of consultancy services and the information media as instruments for the implementation of the Programme of the Decade.

Election of officers (agenda item 2)

24. The Conference elected:

H.E. Mr. Ilunga Ilunkamba, Secrétaire d'Etat du Département de l'Economie Nationale et Industrie, Zaïre as Chairman;

Mr. Laroussi Habib, Directeur Général, Ministère de l'Economie Nationale, Tunisie as First Vice-Chairman;

H.E. Mr. Ohuoen Barthélemy, Ministre de l'Industrie, République Populaire du Bénin as Second Vice Chairman; and

Mr. Keith K. Diako, Senior Industrial Officer, Botswana,
as Rapporteur.

25. The Chairman thanked the Conference for electing him and commended the outgoing officers of the Conference on the service they had rendered. He stated that the Conference was of crucial importance as it constituted the starting point of the assignment of his bureau.

Adoption of agenda and organization of work (agenda item 3)

26. The Conference adopted the following agenda along with the organization of work as reflected in document ECA/CM.6/INR/INF.2:

1. Opening session
2. Election of officers
3. Adoption of the agenda and organization of work
4. Progress reports arising from the Conference of Ministers of Industry, October 1979
5. **Progress** report on matters arising from the Extraordinary Meeting of the Follow-up Committee on Industrialization in Africa, March 1980
6. Consideration of the Report of the Intergovernmental Meeting of Experts on the formulation and implementation of a programme for the Industrial Development Decade for Africa relating to:
 - (a) Framework for the preparation and implementation of the programme
 - (b) Guidelines for the formulation of strategies for major industrial subsectors and areas
 - (c) Modalities for implementation
 - (d) Modalities for monitoring and reporting.
7. Consideration of draft resolutions and recommendations
8. Election of the Follow-up Committee on Industrialization in Africa
9. Date and venue of Seventh Conference of African Ministers of Industry
10. Any other business
11. Adoption of the report.

Progress Reports Arising from the Fifth Conference of African Ministers of Industry and the Extraordinary Meeting of the Follow-up Committee on Industrialization in Africa (agenda items 4 and 5 respectively)

27. The Executive Secretary of ECA briefly presented the above-mentioned agenda items which were dealt with in documents ECA/CM.6/INR/WP/6 and 12. In his presentations he outlined the progress made so far in respect of policy development, institutional

building, subsectoral development activities and industrial co-operation. Regarding policy development, he informed the Conference of the recently created Joint Inter-Secretariat Committee, comprising OAU, ECA and UNIDO and for which an accord was signed on 23 November 1981 by the three heads of the organizations concerned. The Joint Committee was to assist the African countries in the formulation, implementation and monitoring of the programme for the Decade. He referred to the Intergovernmental Meeting of Experts on the Decade organized and serviced by the Joint Committee.

28. On institutional building, the Executive Secretary stated that the African Regional Centre for Engineering Design and Manufacturing (ARCEDEM) became fully operational from the fourth quarter of 1980 although only 21 countries were members so far. He appealed to the other member States to become members as soon as possible and urged those who were already members to give their fullest support, especially financial contribution, to the institution.

29. Continuing, he informed the Conference that, at present 15 member States had signed the Constitution of the African Industrial Development Fund (AIDF). He pointed out the difficulty raised by ADB on managing the AIDF. Contrary to the existing constitution of the AIDF, ADB insists on having its own Board of Governors to also act as the Board of Governors of the AIDF. He therefore requested the Conference of Ministers of Industry to consider ADB's view on the management of the Fund and to give necessary directives accordingly.

30. With regard to the proposed African Regional Centre for Industrial Consultancy and Management Services, the Executive Secretary stated that preliminary activities culminating in an Intergovernmental Meeting of Experts had been undertaken and that a meeting of Plenipotentiaries was scheduled to be held soon.

31. In this field of industrial co-operation he mentioned that various project profiles had been prepared on specific areas of the metallurgical, engineering and chemical industries. The secretariat was working through the MULPOCs, by way of assisting them in drafting common investment codes and in formulating industrial protocols within the framework of preferential trade agreements.

32. In the discussions that followed on this presentation, several participants related their country's effort towards implementing the Lagos Plan of Action. They commended and urged the acceptance of the Intergovernmental Expert Group Meeting's report on the Industrial Development Decade Programme and pledged their fullest support for its implementation. Some participants stressed the need for intra-African co-operation, self-reliance, unity, political will and hard work in order to achieve the objectives of the Lagos Plan of Action in general and the Decade in particular. They urged greater and better uses of public and private media to publicise and hence motivate the people to be fully involved in the implementation of the Programme for the Decade. The importance of increasing the flow of external

financial resources to assist African countries to finance the Decade Programme was stressed. In this connexion support was given to the proposal of the Executive Director of UNIDO for a new international industrial financial facility, as called for by UNIDO III and the UN General Assembly. Also, one delegate emphasized the need for using African consultancy firms which were likely to have a better grasp of African problems.

33. Several participants briefly gave their views on the problem of management facing the AIDF. Following further clarification given by the Executive Secretary of ECA, as well as an illustration of the structure and operation of the United Nations Industrial Development Fund (UNIDF) given by the Executive Director of UNIDO with a view to assisting the Conference in resolving the issue, the general consensus was that the structure of the AIDF should remain as it was and if ADB continued to object to the present structure of the AIDF, the African Ministers of Industry would have to work out a new structure for managing the Fund.

34. In discussing the proposed African Regional Centre for Industrial Consultancy and Management Services, some delegates were of the opinion that priority should be given to strengthening the existing institutions before the creation of new ones. Some delegates felt that the proposed Centre should be merged with the ARCEDEM to avoid proliferation of institutions.

Report of the Intergovernmental Meeting of Experts on the Formulation and Implementation of a Programme for the Industrial Development Decade for Africa (agenda item 6)

35. In the absence of the Chairman of the Intergovernmental Meeting of Experts, its Rapporteur introduced the report of the meeting (document ST/ECA/INR/5). He said that the report was divided into three chapters. Chapter 1 dealt with the summary of proceedings and he considered chapters 2 and 3 as the most important part of the report.

36. Chapter 2 comprised the summary of conclusions derived from the four documents mentioned below. This chapter was sub-divided into four parts. In part 1, a number of actions were proposed by the experts to be taken at the national, subregional, regional, interregional and international levels regarding the preparation and implementation of the programme for the Industrial Development Decade (document ECA/IDD.1/INR/WP/1). Part II, dealt with guidelines for the formulation of strategies for major priority industrial subsectors and areas (document ECA/IDD.1/INR/WP/2) while Parts III and IV with "Monitoring and Reporting on the Implementation of the Programme for Industrial Development Decade for Africa (document ECA/IDD.1/INR/WP/3) and "Modalities for the Implementation of the Programme" (document ECA/IDD/INR/WP/4) respectively.

37. Finally, Chapter 3 pertained to the resolution recommended by the experts for the consideration and adoption by the Conference of Ministers on the formulation and implementation of a programme for the Industrial Development Decade for Africa. The experts

especially emphasized the urgent need for all countries to take the necessary measures to implement the actions and to monitor the implementation of the Decade at all levels. In conclusion, he suggested that, once adopted by the Conference, the recommended resolution could then be submitted to the OAU Heads of State and Government, the United Nations General Assembly, and the Industrial Development Board of UNIDO, as well as to other relevant African and international organizations in accordance with the established procedures of these organizations.

38. Following the presentation of the document by the rapporteur of the Intergovernmental meeting of Experts, the Chairman briefly elucidated on some of the important points which were highlighted in the presentation.

39. In the discussions which followed, full support was expressed for the proposals for the formulation and implementation of a programme for the Industrial Development Decade. In this connexion, emphasis was laid on the need for developing and strengthening intra-African industrial co-operation, taking into account complementarities, specialization opportunities and the free flow of information on markets, finance, technology and projects for joint ventures which was vital for effective operationalization of the programme. Initially, these could take place within the framework of the priority industrial subsectoral programmes already approved. Delegates stressed the importance of science and technology in promoting technological and industrial development especially during the Decade. It was therefore, recommended that full support, including financial, should be given to existing regional centres especially the AIDF, ARCEDEM and the African Regional Centre for Technology by all African member States. It was felt that priority should be given to the strengthening of existing regional and subregional institutions and that careful studies should be undertaken prior to the creation of new ones.

40. Further, it was felt that the issue of exploring new and renewable sources of energy should not be limited to the development of small-scale industries alone but should, rather be considered in a wider perspective to benefit the whole gamut of industrialization. Some delegates emphasized the need for increased assistance, both technical and financial, by international organizations and institutions to the development of small-scale industries in Africa.

41. It was agreed that African regional and subregional institutions, especially the ADB should intensify their participation in financing industrial projects particularly those to be identified during the Decade. It was felt that the ADB should devote a certain percentage of its financial resources towards the financing of industrial projects.

42. Furthermore, the participants urged African governments to give full support to the AIDF. Most of the delegates stressed that the constitution of the AIDF should remain as it now stood, having the Conference of African Ministers of Industry as its Board of Governors, the supreme policy organ.

43. It was suggested that special efforts should be made to develop and utilize local inputs for industry as it would contribute to the creation and strengthening of intersectoral linkages and ultimately towards the achievement of the self-sustained and self-reliant industrialization in Africa. The Conference endorsed the idea to create an International Industrial Development Bank as it would assist in increasing the flow of external financial resources into Africa for industrial development on more favourable terms than most of those in existence. In this connexion, the Conference supported the idea of convening an intergovernmental meeting under the aegis of UNIDO to explore the possibility of establishing the proposed Bank.

44. The importance of technical co-operation among developing countries in the implementation of the Decade Programme was recognized by the Conference. In this regard, special attention was drawn to the valuable contribution of solidarity meetings which were organized in selected developing countries and on the basis of concrete projects prepared with UNIDO's assistance, to rally assistance from other developing countries to the projects of the selected country. Each African country was urged to take full advantage of this arrangement which could constitute an important modality for the implementation of the Decade Programme.

45. The participants stressed the importance of the UNIDO system of consultations and urged African countries to make better use of it and to establish under the aegis of OAU with the assistance of ECA and UNIDO an African regional system of consultations.

46. Delegates expressed appreciation for the work done by the Intergovernmental Meeting of Experts as reflected in its report. They further added some amendments and requested the secretariat to reflect them in the final text.

47. The delegate from the International Trade Centre (ITC) stated that the basic objectives of his organization were to promote exports from developing countries and especially of non-traditional products. ITC gave full support for the Decade and would assist by providing supply and market information, marketing and import operations as well as by enhancing export marketing skills through training.

48. The delegate from the African Intellectual Property Organization (AIPO) briefly reviewed the activities and objectives of AIPO and stated that the organization served the industrial development of its member States by supplying information on research and patents thus helping in the acquisition and transfer of technology to serve technical problems. It had a data bank at the disposal of its member States and organized training programmes including seminars and symposia. In line with Lagos Plan of Action and the Decade Programme, the AIPO could help in popularising the Decade through the organization of national seminars, training in contract licencing and in the use of technologies for small-scale entrepreneurs as well as in enhancing national technological capabilities.

49. The ILO delegate stated that ILO's activities in the field of industry included, among other things, industrial vocational training, management development and development of small-scale industries and handicrafts. In this regard, he referred to the technical assistance given by the ILO to several African countries in the establishment of vocational training and management development centres as well as projects in small-scale industry and handicrafts. At the regional and sub-regional levels, he pointed to the assistance rendered by the ILO in the setting up of the Inter-African Centre for Vocational Training (CIADFOR) and the East African Management Institute (now ESAMI), and further drew attention to an on-going regional project in small-scale industries and handicrafts designed specially for African Women. In other respects, he highlighted the activities of industrial committees of the ILO as well as other ILO programmes related to industry such as international labour standards, industrial relations and labour administration, improvement of conditions of work, occupational safety and health, cooperatives etc. He finally pledged the full support of the ILO to the Industrial Decade Programme.

50. The delegate from UNCTAD stated the readiness of his Agency to continue to provide technical assistance and support to the African countries, as and when required, for the establishment and operation of multinational production enterprises in priority sectors. UNCTAD would assist in carrying out a survey of all multinational projects in order to estimate the magnitude of technical, financial and managerial requirements and to encourage a greater flow of financial resources from capital exporting developing countries. He indicated that UNCTAD was preparing sectoral studies in the fields of food processing, fertilizers, energy, petro-chemicals, pulp and paper and capital goods. It also provided information on Multinational Public Enterprises (MPEs) and joint ventures and mechanism for their establishment or expansion. He noted that no application or enquiry for technical assistance services had so far been received from African countries.

51. In response to a request from one delegate and the Chairman, the Executive Director of UNIDO briefly highlighted the financial difficulty which the UN agencies, especially UNIDO, were facing in view of the reluctance of the major donors to increase their contributions to the UN. He drew special attention to the disappointing pledges to the UNDP which would make it more difficult for the UN to meet the expanding needs of the developing countries. He also expressed his disappointment in the low level of contribution to the United Nations Industrial Development Fund (UNIDF).

52. The Executive Director of UNIDO therefore strongly called on the African countries not to rely solely on external assistance which in his view should be regarded as a support but not to replace their national and collective efforts. He however, felt that in view of the limited local financial resources to meet the enormous requirements for the implementation of the Decade Programme there would be a need for increased flow of external

financial resources. He thus saw great merit for and particular relevance to Africa of the proposals advanced by UNIDO for the establishment of an international bank for industrial development.

53. In this connexion, the Executive Director of UNIDO also drew special attention to the contribution which the UNIDO system of consultations could make in the promotion of intra-African industrial co-operation. He indicated that UNIDO had so far organized consultation meetings in nine subsectors and was preparing for consultation meetings on the areas of industrial manpower training, industrial financing and other subsectors. He, however, underlined the importance of the African countries to develop their own regional component to the system of consultations and proposed that such a system could be established within the framework of the OAU. The vast experience and the background work undertaken by UNIDO in the preparation of global consultation meetings as well as the experience already acquired by ECA could be put at the disposal of the OAU in taking appropriate actions in the implementation of the regional system of consultations in specific industrial subsectors and areas.

54. Elaborating further on actions required for implementing the Decade Programme, the Executive Secretary of the ECA emphasized the need to depart from traditional approaches and lay solid foundations for the future. In this connexion, industrial development has to be linked with other sectors of the economy. Each member State should declare its own national industrial development decade, restructure its industrial development policies and strategies to achieve the required objectives of the Decade. This implies assigning an increasing proportion of the national budget for industrial development, development of manpower, trade, technology and appropriate uses of local raw materials. Also, the establishment of a national industrial development bank should be undertaken to enhance the mobilization and channelling of domestic financial resources for industrial development.

55. Several delegates stressed the need for drawing up an industrial map of Africa showing industrial development potentials in the various countries and subregions. Considering the importance of finance, they stressed that the ability to realize the objectives of the Decade would be largely influenced by the African ability to mobilize financial resources. As local financial resources were rather limited, a strong injection of external finance would be greatly needed. Therefore, actions would be required at the global level. In this connexion, support was given to the proposal for the establishment of an international bank for industrial development. Furthermore, the need for all member States to ratify the new constitution of UNIDO as a UN Specialized Agency was stressed to enable the Organization to become more effective in assisting the developing countries in general and the African countries in particular in the mobilization of external financial resources and in the implementation of their industrial development programmes.

Consideration of draft resolutions and recommendations, election of the follow-up Committee, date and venue of the Seventh Conference of African Ministers of Industry and adoption of the report (agenda items 7, 8, 9, 10 and 11).

56. After considering the report of the Rapporteur, the Conference adopted the Summary of Conclusions. The Conclusions appear in Part Two of the report.

57. The Conference then considered and adopted Resolutions concerning the Programme for the Industrial Development Decade, the African Industrial Development Fund (AIDF) and an International Bank for Industrial Development. The resolutions appear in Part Three of the report.

58. Following consultations among delegations from each of the four subregions, the Conference decided on the composition of the follow-up Committee on Industrialization in Africa. The decision appears in Part Two of the report.

59. On the proposal of the Conference, the Government of Zaire would explore the possibility and confirm to the secretariat its decision to host the Seventh Conference of African Ministers of Industry to be held in 1983 which, as in the past, would be preceded by a meeting of the follow-up Committee on Industrialization in Africa. The secretariat also invited member States to offer host facilities for the 1982 meeting of the Follow-up Committee, which will be a Committee of the Whole, to be held during the second half of the year, since it would be expected to concentrate its deliberations on the preparations for implementation of the Decade Programme.

60. Since there was no other business, the Conference held no discussions under agenda item 10.

61. After considering the draft report, the Conference adopted the present report. The secretariat was mandated to finalize the report, to ensure full alignment in all the three working languages and distribute it to the member States.

62. A vote of thanks was expressed to the Chairman of the Sixth Conference, the Government of Socialist Ethiopia, as well as the sponsoring organizations (ECA, OAU and UNIDO) for their efforts which enabled the Conference to hold its Sixth session successfully.

63. The Chairman thanked the participants for their valuable contribution to the work of the Conference. He congratulated the new members of the Follow-up Committee on their election, and promised that the Bureau and the Committee would do their utmost to promote the realization of the Decade Programme and the other far reaching decisions of the Conference.

64. The Conference closed on Wednesday, 25 November 1981 at 11:45 p.m.

PART TWO

SUMMARY OF CONCLUSIONS

A. Progress reports arising from the fifth Conference of African Ministers of Industry and the Extraordinary Meeting of the Follow-up Committee on Industrialization in Africa (agenda items 4 and 5)

1. The Conference was satisfied with the activities undertaken in respect of policy development, institutional building, subsectoral activities, especially in engineering, chemical, metal, building materials and construction, forest-based and food and agricultural industries as well as industrial co-operation.
2. With regard to institution building, the existing structure of the African Industrial Development Fund (AIDF) should remain as it is, notwithstanding the views expressed by the ADB on its management. In the meantime member States who have not yet signed the constitution were urged to do so soonest. Also, if ADB persisted in having its Board of Governors as Board of Governors for the AIDF as a precondition for managing the Fund, the Ministers of Industry should work out a mechanism which would enable them to control and operate the Fund.
3. Member States who had not yet become members of ARCEDEM were urged to do so soonest and all member States were urged to give their fullest support to it.
4. Concerning the proposed African Regional Centre for Industrial Consultancy and Management Services, the Conference concluded, after having deliberated on this matter, that the functions of the proposed Centre should not be merged with those of ARCEDEM, thereby endorsing the proposal for a meeting of African plenipotentiaries to be held early in 1982 on the matter.

B. Formulation and implementation of a programme for the Industrial Development Decade for Africa (agenda item 6)

Framework for the Preparation and Implementation of the Programme (1980-1990) (ECA/IDD.1/INR/WP/1)

5. The Conference concluded that there should be two phases for the implementation of the Decade: the preparatory phase lasting from 1982 to about 1984 and an implementation phase covering the period 1985-1989. During the preparatory phase important aspects would include the elaboration of the Decade programme and its popularization not only at the level of the government but also throughout the entire community. Actions to be taken at the national, subregional, regional, interregional and international levels:

Actions at the national level

6. At the national level ~~the~~ Conference concluded that:

(a) countries should undertake the preparation of an investment portfolio of identified core projects so as to facilitate the implementation of the Decade programme. While the identification of projects would largely be at the national level, there would also be a need to concurrently identify industrial projects requiring co-operation at the subregional and regional levels with a view to reaching speedy decisions on intra-African co-operation in projects whose implementation would require co-operation at the subregional and regional levels;

(b) that equal attention be given to the physical infrastructure, institutional mechanisms, environmental considerations, technology and above all, the manpower requirement for the implementation of the industrial programmes and plans;

(c) action should be taken in the area of Science and Technology, the development of industrial and technological manpower, especially at various skills levels in good time so as to prepare the skills, labour force capable of planning, implementation and operation of industrial projects;

(d) an energy development programme should be an integral part, taking into account the need for skilled manpower, management and the development of the requisite industrial infrastructure and technology;

(e) a technology programme should be developed to include research and development, standardization and quality control, engineering design and technology adaptation, and strengthening of negotiating capabilities for the acquisition of foreign technology;

(f) a detailed assessment of the financial requirements should be undertaken as well as appropriate approaches be adopted for the mobilization of domestic and external financial resources in order to implement the Decade programme, especially the investment projects to be identified where facilities for doing so do not already exist, efforts should be made to establish such facilities, especially national industrial development banks;

(g) international co-operation should be promoted to include, in particular, technical assistance from the UNDP, UNIDO the ECA as well as all other international organizations and greater financial assistance from international financial institutions to the industrial sector in Africa;

(h) special efforts should be made to develop and utilize local inputs for local industries as it will contribute to the creation of sectoral linkages;

(i) African countries who have not yet signed the new constitution of UNIDO as a UN Specialized Agency should endeavour to do so as soon as possible as to enable it to become more effective organization for mobilizing more funds and for assisting the developing countries in general and the African countries in particular in the implementation of their industrial development programmes;

(j) all African countries should endeavour to develop their capabilities for standardizing and improving the quality of their products. In this connexion African countries should endeavour to become members of the African Regional Standards Organization (ARSO) located at Nairobi, Kenya, by the end of 1982, as stipulated in the Lagos Plan of Action; and

(k) in view of the valuable contribution which industrial entrepreneurship can make to self-reliant and self-sustaining development, efforts should be made in each country to appraise indigenous industrial entrepreneurial resources in both public and private sectors for implementing the Decade Programme, to establish effective communication with industrial entrepreneurs; and to design and set up appropriate incentives, support institutions and services for developing critical industrial entrepreneurial capabilities, capacities and activities.

Action at the subregional and regional levels

7. The Conference concluded that:

(a) industrial policies and programmes should be prepared within strategic industrial subsectors and areas at the subregional and regional levels for the purpose of promoting industrial complementarity based on specific resources endowment of each African country as well as joint and or cross participation to optimize limited investment resources and to enlarge the markets;

(b) in support of the recommendation of the seminar for "African Businessmen on the Development of Industrial Entrepreneurship in Africa" which was convened by the ECA from 9 to 14 November 1981 in Addis Ababa, the OAU, ECA, UNDP, UNIDO, ILO, ITC and the relevant international organizations and member States are called upon to give the necessary support to the Bureau of the interim group established by the seminar to facilitate the formation of Regional Associations for African Manufacturers and Businessmen;

(c) an information system should be set up which will promote the exchange of industrial and technological information among African countries with a view to enabling them to strengthen their bargaining positions and secure better terms for acquiring appropriate technology at reasonable cost;

(d) this should be followed by the identification of multinational industrial projects of interest to the countries within the subregion or region, leading to the promotion and

(e) regional and subregional institutions should be strengthened and new ones created only after careful studies have been undertaken;

(f) intra-African co-operation should be promoted at the regional and subregional levels in the areas of industrial training, energy, engineering consultancy, trade in manufactures, industrial raw materials and inputs, industrial information, Science and Technology, natural resources and the harmonization of fiscal and trade policies including the elimination of trade barriers;

(g) national industrial development plans should be coordinated at the subregional and regional levels to enhance intra-African co-operation as a component of the South-South co-operation. To this end joint committees between two or more countries should be established and

(h) ADB should be requested to participate in financing some of the activities of the Decade programme; this should include devoting a certain proportion of its resources to financing the Decade Programme.

Action at the international level

8. The Conference concluded that the flow of external financial resources for industrial investment should be increased.

Industrial consultations and negotiations

9. The Conference concluded that:

(a) proposals should be formulated for common African positions with regard to South/South as well as North/South negotiations in industrial development, particularly with regard to technology, industrial skills, markets and finances; and

(b) African mechanism should be established for consultations, negotiations and arbitrations which could strengthen and facilitate industrial co-operation first among the African countries themselves at the subregional and regional levels and secondly, between African and other countries. Such a mechanism should be established within the framework of the Final Act of Lagos.

Expected outputs during the preparatory phase

10. The Conference concluded that the result of the actions to be undertaken during the preparatory phase (1982-1984) of the Decade would, as a minimum, include;

(a) the preparation of a coherent and internally consistent set of national, subregional and regional policies, master plans and programmes as well as designing and promoting an institutional machinery to achieve the objectives of the Decade in industrial

(b) the popularization of the Decade Programme, including the effective use of the mass media;

(c) the elaboration of investment programmes and projects at the national, subregional, regional and international levels for submission to financial and investment institutions and a programme for the strengthening of existing national, subregional and regional financial institutions or the establishment of new ones, as required;

(d) the preparation of an industrial manpower development plan including, in particular, a programme for the training of specialized African industrial and technological skills, at the national, subregional and regional levels;

(e) the adoption of policy instruments for fostering intra-African industrial co-operation, especially in the areas of trade, technology, promotion of African specialization and complementarity, assessment of raw materials, project financing, manpower development, entrepreneurial capabilities, information, consultancy services, and energy; and

(f) the establishment of an African industrial consultations, negotiations, and arbitration mechanism within the framework of the Final Act of Lagos.

Modalities for implementation

11. The Conference concluded that:

(a) a national co-ordinating committee and a focal point within the governmental administrative machinery should be set up, where these do not already exist, for co-ordinating the formulation, implementation and monitoring of the national programme for the Decade;

(b) an intergovernmental machinery should be set up at the regional and subregional levels if this does not exist, for co-ordinating national actions and initiating and monitoring the implementation of regional and subregional activities and projects for the Decade; and

(c) the OAU/ECA/UNIDO inter-secretariat committee for the Decade should intensify its efforts to carry out the task entrusted to it.

Technical co-operation

12. The Conference concluded that:

(a) bilateral and multilateral technical assistance on a North/South and a South/South basis should be promoted to play an important role in advancing the objectives of the African Industrial Development Decade, particularly during the preparatory phase;

(b) international assistance should be promoted with regard to preparation of regional programmes, the identification of priorities and key industrial subsectors and areas, the development of industrial manpower and the requisite institutional machinery; and in strengthening technology and information structures;

(c) the international community, especially the UNDP, UNIDO, the ECA and all other international organizations, should intensify their technical assistance and to reorient their programmes in Africa with greater emphasis on the industrial sector in accordance with the decisions to declare the 1980s as the Industrial Development Decade for Africa;

(d) field missions of high level African experts should be organized to assist individual countries on request, regional and subregional organizations, in the elaboration of their programmes for the Decade.

Guidelines for the Formulation of Strategies for Major Industrial Subsectors and Areas (1980-1990) (ECA/IDD.1/INR/WP/2)

A. Major Priority Industrial Subsectors

Food processing industry

13. The Conference concluded that:

(a) some import substitution industries have played an important role in industrialization but urged that efforts should be made to limit their import contents through substitution by suitable alternative locally available inputs;

(b) food and agro-industry should be accorded high priority in terms of policies and resource allocation by member States and that efforts to industrialize should give priority to the manufacturing of agro-inputs and processing of agro-outputs, i.e., production and use of fertilizers, pesticides, agricultural machinery and equipment so as to produce more food; and

(c) the concept of intra-African food agreement should be inserted in the institutional framework.

Textile industry

14. The Meeting noted that there is a deficit in textile production in Africa in spite of its high potential for textile production and concluded that:

(a) positive steps should be taken to strengthen co-operation among African countries in textile production and encourage the establishment of joint ventures and other forms of co-operation among African countries; and

(b) urgent action should be taken at the national, subregional and regional levels to promote and protect the African market in textiles not losing sight of improving the quality of production and level of technology.

Forest industries

15. The Conference concluded that:

(a) in the processing of forest products emphasis should be put on the establishment of small-scale plants which are less expensive and can make increasing use of local forest resources and, for more complex processing, the African countries should establish joint ventures and other forms of co-operation; and

(b) programme for forest industries development should emphasize, inter-alia, planned exploitation and reafforestation to avoid ecological problems.

Building materials and construction industry

16. Bearing in mind the importance of the building materials and construction industry and the development possibilities based on the use of all possible resources, the Conference concluded that high priority be given to the:

(a) intensification of the production of certain strategic materials like cement for use on large infrastructural works;

(b) development of the production of other materials (lime, intermediate building materials, clay or stabilized soil products, wood or vegetable fibre panels) capable of bringing solutions to the needs of the rural and semi-urban population, bearing in mind their financial capacities;

(c) creation of pilot demonstration and training plants for the production and use of the materials mentioned above;

(d) promotion of research on building materials and construction;

(e) upgrading traditional construction materials and techniques; and

(f) organization and development of local building contractors, especially small and medium contractors.

Metallurgical industry

17. The Conference noted the importance of the metallurgical industry which is one of the basic subsectors and concluded that:

(a) high priority should be given to the development of the iron and steel as well as to the copper and aluminium industries;

(b) research on mini-steel plants should be intensified in order to promote accelerated development of the iron and steel industry in Africa;

(c) joint ventures among African countries should be established to carry out the exploitation and development of raw materials and their actual processing and exploitation; and

(d) existing, or new African multinational industrial corporations should, inter alia, carry out the following activities:

- (i) identifying, formulating and designing metallurgical projects;
- (ii) promoting and implementing metallurgical projects;
- (iii) commissioning and operating metallurgical plants;
- (iv) marketing and distributing metallurgical products;
- (v) training technical, managerial and administrative personnel;
- (vi) conducting research and development;
- (vii) mobilizing finance for investment; and
- (viii) co-operating with mining and other companies engaged in extracting raw materials.

Chemical industry

18. The Conference recognizing the high priority accorded to the chemical subsector during the Decade concluded that the following actions should be undertaken:

(a) development of production facilities for the priority chemicals (fertilizers, pesticides and pharmaceuticals) as well as chemicals based on biomass;

(b) development of extraction facilities for oils and essences from plants and development of leather and associated products;

(c) making provision for minimizing pollution when planning chemical industries;

(d) establishment of African national and multinational industrial corporations like those proposed for the metallurgical industry.

Engineering industry

19. In view of the fact that the engineering industry is the carrier of technology, provides machinery and equipment to all economic and social activities, the Conference concluded that:

(a) member States individually and collectively should undertake the manufacture of light and heavy industrial products such as engines, tractors, agricultural implements, trucks, buses, railway equipment, telecommunications equipment, textile machinery, food processing equipment, mining and mineral processing equipment and parts and components;

(b) supporting engineering service facilities such as foundry, forging, machine shops, tool room, heat treatment, metal coating and fabrication facilities should be developed;

(c) mechanisms should be established to eliminate tariff and non-tariff barriers among member States; and

(d) African national and multinational industrial corporations like those proposed for the metallurgical industry should be established.

Small-scale industry

20. The Conference concluded that:

(a) efforts should be made at the national level to develop small-scale industries, including handicraft and cottage industries;

(b) more appropriate technologies should be utilized;

(c) national or subregional special funds should be strengthened or new ones established, as appropriate, to accelerate the development of small-scale industries in Africa, taking into account the existence of African Industrial Development Fund (AIDF).

B. Major Factors and Related Inputs

21. To achieve the objectives of the Industrial Development Decade, the Conference concluded that the following actions should be undertaken;

(a) the development of capabilities at the national, subregional and regional levels in the research and study areas, to identify the required industrial raw materials available and industrial products to be manufactured in the region;

(b) the adoption of national legislation on investment, which will provide full information on rights and duties of investors;

(c) preparation of a general directory containing sources of finances and ways and means for mobilizing financial resources at the national and subregional levels;

(d) dissemination of information on assistance available from the United Nations Organizations and other International Bodies, especially through Pan African Documentation and Information Services (PADIS), Industrial and Technological Information Bank (INTIB), the African Intellectual Property Organization (AIPO), the Industrial Property Organization for English-speaking Africa (ESARIPO), the African Regional Organization for Standardization (ARSO), the African Regional Centre for Technology (ARCT), the African Regional Centre for Engineering Design and Manufacturing (ARCEDEM), African Institute for Higher Technical Training and Research (AIHTTR).

(e) special consideration should be given to the solution of environmental problems connected with the major industrial subsectors through adoption of legislative measures, establishment of national standards for pollution control, monitoring of natural resources depletion, exchange of environmental information for intra-African co-operation.

C. Energy

22. The Conference concluded that:

(a) comprehensive energy development programmes should be prepared and implemented at the national, subregional and regional levels to support the whole industrialization process in Africa;

(b) research and development activities should be undertaken and intensified in developing alternative and renewable sources of energy at the national; subregional and regional levels; and

(c) efforts should be made to exploit alternative cheaper sources of energy for the development of the small-scale industry and the rural sector.

Modalities for the Implementation of the Programme (ECA/IDD.1/INR/WP/4)

23. As a result of discussions on the above-mentioned areas, the Conference concluded that:

(a) the above-mentioned document should include a brief summary of key ideas of the Lagos Plan of Action relating to industry, intra-African trade, etc.;

(b) the secretariats should prepare, for circulation in all member States, a small pamphlet on the principles of the Lagos Plan of Action in regard to the Chapter dealing with industry;

(c) an industrial map of Africa should be prepared which would indicate the location and distribution of raw materials, available industrial skills, etc.

(d) further efforts should be made to develop or improve existing mechanisms which will enhance the establishment of multinational industrial corporations and joint ventures between African countries;

(e) member States should individually and collectively, create mechanisms for fostering the formation of indigenous public and private industrial consultancy organizations;

(f) steps should be taken by member States towards the creation of a data bank in the field of industry at national and multinational levels; and

(g) UN agencies and other international organizations should reorient their policies and harmonize and co-ordinate their assistance to African countries individually and/or collectively.

Monitoring and Reporting on the Implementation of the Programme for Industrial Development Decade for Africa (ECA/IDD.1/INR/WP/3)

24. The Conference concluded that:

(a) the planning of the Decade programme should recognize the need of the regular monitoring and reporting on its implementation. Accordingly, the data that will be required for the evaluation of the progress of implementation should be collected on a regular basis and in particular before the commencement of actual operation;

(b) at the national level focal points should be established where they do not exist. In addition each member State should establish a national co-ordinating committee composed of high level representatives of relevant ministries, public and private sectors, chamber of commerce and industry, universities and financial, research and professional institutions. An inter-ministerial committee should also be established to advise and assist the focal point and the co-ordinating committee;

(c) when member States issue certificates to private entrepreneurs authorizing them to undertake projects, or when they conclude agreements with private entrepreneurs, provisions should be made for the regular monitoring and reporting of their activities at the plant level;

(d) at the subregional level, the existing institutions like the MULPOCs or other intergovernmental bodies should undertake the monitoring and reporting, under the direction of the subregional technical committees; and

(e) workshops and review missions should be organized with the assistance of the ECA, OAU and UNIDO in collaboration with all other relevant international organizations and the Conference of African Ministers of Industry with its Follow-up Committee should continue to provide the umbrella for the monitoring activities at the regional level.

C. Election of the Follow-up Committee on Industrialization in Africa (agenda item 8)

25. The following countries were elected according to this agenda item:

<u>Officers:</u>	Chairman	- Zaire
	First Vice-Chairman	- Tunisia
	Second Vice-Chairman	- Peoples Republic of Benin
	Rapporteur	- Botswana

<u>Members:</u>	Eastern African subregion:	Lesotho, Mozambique, Uganda
	Central African subregion:	Angola, Burundi, Cameroon
	North African subregion:	Algeria, Egypt, Sudan
	West African subregion:	Guinea, Nigeria, Upper Volta

D. Date and venue of the Seventh Conference of African Ministers of Industry (agenda item 9)

26. The Conference proposed Zaire as venue for the Seventh Conference of African Ministers of Industry to be held in 1983. The Zairean delegation took note and agreed in principle to the proposal but informed the Conference that the Government of Zaire would consider the proposal and communicate its final approval to the ECA secretariat in due course. As in the past, the Conference of Ministers would be preceded by a meeting of the Follow-up Committee on Industrialization in Africa.

27. The secretariat proposed also that any member State wishing to host the 1982 seventh meeting of the Follow-up Committee on Industrialization in Africa, which is expected to be a Committee of the Whole, could communicate its offer by cable to ECA, not later than 31 March 1982. If no offer was received by that time, then the secretariat will decide to hold the meeting in Addis Ababa during the second half of the year as indicated in the resolution on the Decade.

PART THREE

RESOLUTIONS

- 1(vi) The formulation and implementation of a programme for the Industrial Development Decade for Africa

The Conference of African Ministers of Industry

Recalling United Nations General Assembly resolution A/RES/35/66(b) proclaiming the 1980s as the Industrial Development Decade for Africa,

Recalling further OAU resolution CM/Res.888 (XXXVII) which, inter alia, requests all OAU member States to take, with the assistance of the UNIDO, ECA and the UNDP, the necessary measures to draw up and implement specific programmes in the context of the Decade at national, regional and subregional levels,

Guided by the decisions of the OAU Heads of State and Government on accelerated industrialization in Africa as contained in the Monrovia Declaration of Commitment, the Lagos Plan of Action and the Final Act of Lagos,

Noting that the development and implementation of industrial development programme in African countries are and would be increasingly influenced, inter alia, by:

- balance of payments difficulties, rising debts and cost of servicing these debts as well as the monetary systems existing in Africa;
- the pattern of consumption which clearly indicates that most African countries consume what they do not produce, and produce what they do not consume;
- agricultural output whose persistent declining trend has resulted, among other things, in a reduction of the essential industrial inputs and in increasing food imports;
- energy whose imports are taking an increasing share of the total import bill;
- the cost of imported factor inputs which increasingly constitutes a large proportion of the content of industrial production;
- the level of physical and institutional infrastructural development;
- the increasing international economic crisis and its impact on African economies, including unsurmountable problems which would arise if Africa's supplies of essential goods are cut off;

- the complex environmental pollution problems which could emanate from adverse industrialization; and
- the development and full utilization of African industrial entrepreneurial capabilities, which are necessary for determining the size and structure of markets, choice of products as well as the processes for producing them.

Determined to structurally transform the African economies which are currently extraverted and heavily dependent on external economies through industrialization,

Taking into consideration the report of the Intergovernmental Meeting of Experts on the Programme of the Industrial Development Decade for Africa which met in Addis Ababa, Ethiopia from 19 to 24 October 1981 to prepare for this meeting.

A. Adoption of Proposals for the Decade Programme

1. Adopts the proposals for the formulation and the implementation of the Industrial Development Decade for Africa as well as the conclusions of the Intergovernmental Experts Meeting formulated in the light of the documents dealing with the following themes:

- (a) A framework for the preparation and implementation of the Decade Programme; 1/
- (b) Guidelines for the formulation of strategies for major industrial subsectors and areas; 2/
- (c) Modalities for the implementation of the Decade Programme; 3/
- (d) Monitoring and reporting on the implementation of the Decade Programme; 4/

2. Agrees to accord high priority during the preparatory phase (1982-1984) to the following measures aimed at attaining self-sufficiency in food production, building materials and textiles and other objectives of the Decade and thereby making operational the industry sector of the Lagos Plan of Action especially the priority subsectors of food and agro-industries, building materials, textiles, energy, forest, metallurgical, engineering and chemical industries, as well as major industrial areas, especially capabilities, institutions, infrastructure, technology, industrial financing information and environment

1/ Document ECA/CM.6/INR/WP/1/Rev.1

2/ Document ECA/CM.6/INR/WP/2/Rev.1

3/ Document ECA/CM.6/INR/WP/4/Rev.1

4/ Document ECA/CM.6/INR/WP/3/Rev.1

(a) harmonization of current industrial policies and strategies with a view to reorienting them towards the implementation of the strategy for collective self-reliant and self-sustaining development;

(b) a review of the status of industrial development in Africa leading towards the production of an industrial map of Africa consisting of such elements as the location of industrial raw materials and production facilities, availability of skilled manpower and technology;

(c) development of a favourable environment for industrialization including, in particular, the improvement of physical facilities: transport and communications, industrial utilities, fiscal measures including tax and other incentives to indigenous industrial entrepreneurs and social welfare benefits;

(d) development of a sound national industrial institutional machinery for the effective planning, execution, monitoring and evaluation of industrial development activities and the promotion of small scale, cottage and hand-craft industries;

(e) development of industrial and technological manpower to cover the entire spectrum of the various skills and expertise required at each stage of industrial development and the elimination of "brain drain";

(f) the preparation and implementation of science and technology plans and programmes at the national, subregional and regional levels, as an integral part of the relevant economic development plans to include the institutional mechanisms for the development or up-grading and commercialization of indigenous technologies, as well as the evaluation, selection, acquisition, adaptation, absorption and regulation of foreign appropriate technologies;

(g) development of a sound industrial and technological information system and data base on industrial raw materials, energy, manpower, technology, production facilities, financing, investment profiles/projects and trade;

(h) increased allocation of local financial resources and greater flow of external funds to the industrial sector including the strengthening of existing and the establishment of new financial mechanisms at the national, subregional, regional and international levels for financing the Decade Programme, especially, large-scale investment projects and small-scale industries;

(i) development and rational utilization of energy in industry;

(j) popularization of the Decade both within Africa and outside Africa;

(k) intensification of intra-African industrial co-operation and integration, as called for in the Final Act of Lagos, at the subregional and regional levels, especially in the areas of industrial production, trade in industrial raw materials and products, financing, technology, information, training as well as in the establishment of African consultations, negotiations and arbitration mechanisms;

(l) intensification of efforts for the promotion of African multinational enterprise and joint ventures based on the participation of groups of African countries;

(m) intensification of international co-operation, especially the increase of technical assistance from international organizations, especially from the UNDP, UNIDO and the ECA, for the formulation and implementation of the Decade Programme;

(n) strengthening of existing or establishment of new mechanisms and institutions for co-ordinating the formulation and monitoring the implementation of the Decade Programme at the national, subregional, regional and international levels; and

(o) adoption of special measures to minimize the effects of industrialization on the environment through the greater control of, and legislation for environmental protection from industrial pollution as well as more effective management of water resources in all areas where there is industrial activity.

B. Modalities for the Implementation of the Decade Programme

3. Calls upon all member States and the international community to accord special emphasis to, and to take the necessary measures to implement the actions proposed for the Preparatory Phase (1982-1984) of the Decade, especially, those outlined below:

(a) Actions at the national level

(i) incorporation of the concepts and ideas of the Decade Programme in national development goals and objectives;

(ii) indepth diagnosis and analysis of national industrial policies, plans, programmes and structures as well as existing bilateral and multilateral industrial agreements, with a view to preparing a comprehensive plan and programme for the Decade including a programme for the popularization and promotion of the Decade;

(iii) strengthening of existing or the establishment of new National Co-ordinating Committees, as appropriate, for the Decade to provide over-all direction and guidance for the formulation, promotion, implementation and monitoring of the Decade Programme and to liaise with international organizations;

(iv) review and adjustment, where necessary, of the national governmental machinery for industrial development to ensure that there is a focal point which would act as the secretariat of the National Co-ordinating Committee, handle the day-to-day work of the Decade, and would liaise with the organizations charged with co-ordinating the Decade Programme;

(v) activating and involving the agents of industrial production and distribution, including the strengthening of public and indigenous private industrial enterprises, support measures for increased industrial investment and strengthening and/or developing

(vi) appraisal, as necessary, of the national technological machinery with a view to developing a technology plan, including the requisite institutional infrastructure, in the fields of R and D, standardization in terms of quality control and environmental protection measures through engineering design and consultancy services to enable the machinery to more effectively meet the requirements of the Decade;

(vii) preparation of an industrial manpower development plan with a view to developing the various entrepreneurial and technical skills required for the Decade;

(viii) adoption of measures for mobilizing local and external financial resources required to fund the Decade Programme. This would include project identification for the establishment of a portfolio of investment projects on export-oriented industries;

(ix) co-ordination of action including the designation of national focal points to promote multinational industrial projects, co-operation and joint ventures as well as the identification and preparation of investment project portfolios; and

(x) assessment and improvement in maintenance and repair facilities and production of spare parts of industrial equipment and appliances.

(b) Actions at the subregional and regional levels

(i) Assessment of existing intergovernmental arrangements for the promotion of intra-African industrial co-operation with a view to strengthening existing ones and the establishment of new ones, as appropriate, in accordance with the Final Act of Lagos to provide over-all policy direction and guidance for the formulation, execution and monitoring of subregional and regional activities for the Decade;

(ii) strengthening of existing or establishment of new focal points within existing subregional or regional organizations, or within the MULPOCs where such intergovernmental organizations do not exist, for handling the day-to-day work related to the Decade and to liaise with national focal points and the co-ordinating organizations (OAU, UNIDO and ECA) accordingly;

(iii) review of the existing industrial policies, activities, projects and institutions with a view to re-orienting them towards the objectives of the Decade Programme for the region or subregion. This should include aspects dealing with industrial technology, information, training, financing, raw material, the popularization of the Decade and identification of measures for strengthening existing regional and subregional institutions especially the African Institute for Higher Training and Research (AIHTR), the African Regional Centre for Technology (ARCT), the African Regional Centre for Engineering Design and Manufacturing (ARCEDEM) and the African Regional Organization for Standardization (ARSO), or the establishment of new ones as required;

(iv) creation of indigenous consultancy organizations and capabilities to provide industrial and management services related to preparation of projects, preinvestment studies, specifications, bids and contracts; assistance to governments in monitoring and assessment of all project activities including scheduling, supervising and synchronizing their implementations at national and multinational levels;

(v) strengthening of the existing African Industrial Development Fund and establishment of new financial institutions and mechanisms, designed especially to increase the ability of member States to raise the large financial resources needed for the implementation of the Decade Programme and to assist in the organization of investment finance, joint loan guarantee and contracting; and intercountry purchasing agreements. The ADB is requested to allocate a certain percentage of its resources for the implementation of the Decade Programme;

(vi) assessment of existing intergovernmental industrial agreements with a view to reorienting them towards the achievement of the goals of the Decade; and

(vii) establishment of an African industrial consultations, negotiations and arbitration mechanism in accordance with paragraph II.B.1(b) of the Final Act of Lagos which would receive appropriate technical and other assistance from the OAU, ECA and UNIDO. The focus of this regional mechanism will be two-fold. Firstly, to act as a forum whereby common positions and precise objectives for the African region can be agreed at regional preparatory meetings, with respect to consultations and negotiations in international fora. Secondly, to serve as a nucleus for the promotion of industrial co-operation and trade in industrial raw materials and products among member States of the region or subregion, in attaining these objectives, consultation meetings in selected priority industrial sub-sectors and areas will be organized at the regional and subregional levels, in co-operation with the appropriate African, international and other organizations.

(c) Actions at the interregional and international levels

(i) the opportunities provided within the context of technical co-operation among developing countries should be more fully utilized. The more advanced developing countries in the other regions of the world are invited to share their industrial experiences with the African countries. The organization of solidarity meetings in selected African countries for the purpose of rallying assistance from other developing countries, through specific well prepared projects, to the selected country, should be expanded;

(ii) the African countries are urged to adopt a strong common position in all global and regional negotiations, especially in the UNIDO consultation meetings, and to undertake more proper preparation in these negotiations, thus ensuring that Africa's interests, as reflected in the framework of the Decade Programme, are fully accommodated. The African countries should set up a permanent machinery both at the national as well as at the regional levels to follow, with vigilance, all the developments in these international industrial negotiations and to ensure their consistent participation at all appropriate practical technical levels;

(iii) the existing economic co-operation agreements between each African country and bilateral or multilateral and/or funding agencies should be reviewed in order to re-adjust them to more fully accommodate, respond to the policy of self-reliance and self-sustaining industrial development;

(iv) the developed countries are called upon to approach industrial consultations and negotiations in all fora with greater convictions and commitment towards the course of genuine benefit to all parties concerned. In this connection, the steps being taken to bring the UNIDO System of Consultations on a continuing and permanent basis and as a form for industrial negotiations resulting in commitment on the part of the participating countries should be finalized;

(v) bilateral and multilateral agencies are all called upon to adopt the Framework of the Decade Programme as a basis for readjusting their policies and programmes in Africa. Such adjustments should encompass government policies, and through them, the policies of transnational corporations and other investors involved in the industrialization process in Africa. They are also called upon to promote and popularize the Decade among financial institutions and government decision-making bodies so as to facilitate their co-operation with the African countries in the field of industry;

(d) Actions by international organizations

(i) the UNDP, UNIDO and ECA, as well as all other relevant international organizations are called upon to undertake a critical examination of their policies, programmes and activities in Africa with a view to reorienting them in accordance with the Framework of the Decade Programme. They should intensify their efforts for raising additional resources for the implementation of special programmes which they should develop to assist the African countries in the implementation of the Decade Programme, as urged in operative paragraph 7 of OAU resolution CM/Res. 888 (XXXIII);

(ii) the African groups, especially, in New York (UN Headquarters), Vienna, Brussels, Geneva and Rome are called upon to take the necessary measures to ensure that the call by the United Nations General Assembly in its resolution proclaiming the Decade to the Secretary General of the United Nations to provide appropriate resources for the successful launching of the Decade as well as for the preparation and implementation of the Decade Programme is met and that increased staff and financial resources are made available to UNIDO and the ECA for the Decade;

(iii) the international organizations are, in particular, called upon to assist the African countries in the development and implementation of special programmes for the popularization and promotion of the Decade both within as well as outside Africa as well as for the training of special skills for monitoring the implementation of the Decade Programme at the national, subregional and regional levels;

(iv) as called for in all the various resolutions on the Decade, the United Nations Industrial Development Organization (UNIDO) and the Economic Commission for Africa (ECA) as well as other United Nations agencies are

to the African countries. Such assistance, during the Preparatory Phase of the Decade Programme, should include the fielding of high level field missions to assist the member States, on their request, in the preparation of their national, subregional and regional programmes for the Decade;

(v) the international organizations are called upon to study the possibility of establishing new mechanisms to increase the flow of external resources with more favourable terms and conditions to the African countries for the implementation of the Decade Programme. In this connection, UNIDO is called upon to accelerate action towards the early establishment of the proposed International Bank for Industrial Development;

(vi) in order to ensure that the foregoing actions are carried out, African countries are urged to intensify their representation and participation at the policy and other technical meetings of these organizations in order to ensure that their programmes in Africa related to industry are in accordance with the Framework of the Decade Programme. This would also help to ensure that increasing high priority will increasingly be accorded to industrial activities in Africa. In this regard, the African countries should ensure that the industrial sector is accorded high priority in the UNDP country and regional programmes. This requires a constant system of communication between the governments, UNIDO, UNDP and the ECA, and the National Co-ordinating Committees for the Decade could play an extremely important role in this respect.

(e) Monitoring of the Implementation of the Decade

4. Urges all member States and the co-ordinating organizations (ECA, OAU and UNIDO) to strengthen existing or establish new mechanisms for the co-ordination and continuous monitoring and reporting on the implementation of the Decade Programme at the national, subregional, regional and international levels. The following actions should be given particular attention:

(a) Actions at the national level

(i) the National Co-ordinating Committee for the Decade should, as one of its regular activities, undertake over-all periodic assessment of the status of implementation of the Decade Programme and should report to the relevant national economic development policy-making bodies accordingly;

(ii) the national operational focal points for the Decade should establish a system for the collection and analysis of information and data on the implementation of the Decade Programme. It should send six monthly reports to the National Co-ordinating Committee and to organizations charged with monitoring the Decade's Programme;

(b) Action at the subregional and regional levels

(i) co-ordination and monitoring of the implementation of the Decade Programme at the subregional and regional levels should be undertaken within the context of the Intergovernmental Co-ordinating machineries already existing or to be established;

(ii) meetings of Ministers of Industry should be convened in each African subregion in order to monitor progress in implementing the programme for the Decade in the subregion. Such meetings should be held at least biennially, i.e., 1983, 1985, 1987, 1989 and 1991;

(iii) the focal points within subregional and regional organizations for the Decade should establish a system for the collection and analysis of information and data on the status of implementation of the Decade Programme. Subregional and regional specialized agencies should be closely associated in this exercise. Six-monthly reports should be made and submitted to the Intergovernmental Co-ordinating Committee for the Decade as well as to the OAU for the Co-ordinating Organizations (OAU, ECA and UNIDO);

(c) Action at the regional level

(i) at the regional level, the Conference of African Ministers of Industry and its Follow-up Committee on Industrialization, should continue to provide the over-all policy guidance on all matters relating to the implementation of the Decade Programme in the context of the regional machinery for the over-all co-ordination and monitoring of the implementation of the Lagos Plan of Action and the Final Act of Lagos;

(ii) the 1982 meeting of the Follow-up Committee on Industrialization in Africa should take place during the second half of the year, to review the progress in initiating the preparatory phase of the Decade. Participation in the meeting is as usual open to all countries whose delegations should include national directors of economic and industrial planning. It is considered essential that this meeting should also be attended by officials from African regional and subregional intergovernmental organizations and Specialized Agencies as well as the organizations of the United Nations System;

(iii) a review and appraisal of the preparatory phase for the implementation of the Decade Programme should be undertaken in 1984; a review of the actual implementation of the programme be undertaken in 1987 (the mid-term review), while the terminal review and appraisal should be undertaken in 1991;

(iv) as in the past, the OAU, ECA and UNIDO should continue to prepare and convene meetings of the Conference of African Ministers of Industry and the Follow-up Committee on Industrialization in Africa, within the context of the Joint Committee of the OAU/ECA/UNIDO secretariats for the Decade.

(d) Action at the international level

(i) with regard to monitoring of the implementation within the United Nations system, it is expected that ECA and UNIDO, in collaboration with OAU will initiate and co-ordinate activities and inputs, within the United Nations system, including technical and financial assistance in support not only of the national programmes but also of the regional programmes;

(ii) in order to maximize the contributions that would be made by other relevant organizations within the United Nations system in the development and implementation of the Decade Programme, and related activities, an appropriate ad hoc co-ordinating arrangement within the United Nations system, should be set up to assist and advise UNIDO and ECA in co-ordinating and monitoring the inputs from the United Nations system; and

(iii) periodic reports, at least annually, should be prepared and submitted to UNIDO for the Joint OAU/ECA/UNIDO Committee on the status of implementation of their programmes for the Decade.

C. General Provisions

5. Requests the Secretary General of the OAU, the Executive Secretary of the ECA and the Executive Director of UNIDO to:

(a) transmit, in accordance with the established procedures of these organizations this resolution along with the proposals for the formulation and implementation of a programme for the Industrial Development Decade for Africa, respectively to:

- (i) the Nineteenth Regular Session of the Assembly of Heads of State and Government of the OAU for endorsement;
- (ii) the United Nations General Assembly;
- (iii) the Industrial Development Board of UNIDO; and
- (iv) other relevant African and international organizations;

(b) undertake all measures to popularize the resolution and the Programme for the Decade; and

6. Requests further the Bureau of the Conference to report to the seventh Conference of African Ministers of Industry on steps taken and the results achieved.

2(vi) African Industrial Development Fund (AIDF)

The Conference of African Ministers of Industry

Recalling resolution 8(v) adopted by it at this fifth session held at Addis Ababa in October 1979, requesting the Executive Secretary of the Economic Commission for Africa to continue to co-operate with the President of the African Development Bank (ADB) in the implementation of this project, with a view to ensuring the ultimate autonomy to the Fund as foreseen in its Constitution.

Reiterating its primary interest in establishing the Fund whose role is to facilitate industrial pre-feasibility and feasibility studies based on information emerging from the sectoral programmes and to find the means for financing the studies,

1. Invites those Governments which are not yet members of the Fund to accede to its Constitution as soon as possible and those Governments which are members to pay their contributions as required;

2. Recommends strict application of the constitution of the Fund, namely articles 13 and 17 stipulating that the Fund should have as its supreme authority the Board of Governors comprising the Ministers of Industry, while its management is carried out by the ADB secretariat for a period of five years, after which period the Board of Governors would review its final and definite structure;

3. Appeals to the ADB Board of Governors to make consultations with the Ministers of Industry in their respective countries with a view to resolving the issue of the structure for managing the Fund whereby the Ministers of Industry will have the ultimate authority of defining the aims, objectives and policies of the Fund;

4. Urges Governments of member States to harmonize the positions of Ministers of Finance and of Industry in order to ensure an unimpeded functioning of the AIDF within the framework of its constitution.

3(vi) The Establishment of an International Bank for Industrial Development

The Conference of African Ministers of Industry

Recognizing the urgent need to increase the flow of external financial resources for industrial development in the Third World, especially in Africa which is the least developed of all the regions and contains twenty-one of the thirty-one least developed countries,

Reaffirming the decisions contained in the New Delhi Declaration and Plan of Action adopted at the Third General Conference of UNIDO and in General Assembly Resolution 35/66(A) of 5 December 1980, particularly with respect to the need for a new mechanism for international financing for industry in the developing countries,

Emphasizing the call in the Lagos Plan of Action (para. 73(a) for co-operation between African member States and the developed countries which should lead, inter alia, to a massive transfer of resources to finance urgently needed industrial programmes and projects,

Reiterating the call in the Lagos Plan of Action (para. 15) by the the OAU Heads of State and Government for the active support of the international community as well as of the relevant international organizations for the successful implementation of the Plan:

1. Urges African Governments to strengthen, with industrial financing experts, their delegations to the Sixteenth Session of the Industrial Development Board of UNIDO to be held from 11 to 28 May 1982 in Vienna so as to participate fully in its deliberations

on the convening of an Intergovernmental Conference on the establishment of the new international industrial financing mechanism.

2. Calls upon the Industrial Development Board at its Sixteenth Session to decide to convene the Intergovernmental Conference with the objective of examining and deciding upon the important proposal made by the Executive Director of UNIDO for the establishment of the International Bank for Industrial Development, at which Intergovernmental Conference all countries including those African States not members of the Industrial Development Board can fully participate in taking appropriate action.

3. Urges all African States to actively participate in such an Intergovernmental Conference to ensure that Africa's interests particularly the special needs of the African least developed countries, are fully reflected in the decisions of the Intergovernmental Conference.

4(vi) Vote of thanks to the Government and People of Socialist Ethiopia

The Conference of African Ministers of Industry

Deeply grateful to the Government and people of Socialist Ethiopia for their most generous hospitality in providing the necessary conditions which have enabled the Economic Commission for Africa, the Organization of African Unity and the United Nations Industrial Development Organization to sponsor the Sixth Conference of African Ministers of Industry.

Noting with appreciation the inspiring address delivered by Comrade Fisseha Desta, Assistant Secretary General of the Provisional Military Administrative Council (PMAC) of Socialist Ethiopia, Deputy Chairman of the Council of Ministers and member of the Executive Committee of COPWE, who spoke on behalf of the Government and people of Ethiopia.

1. Expresses its gratitude to Comrade Chairman Mengistu Haile Mariam, Chairman of the PMAC and COPWE and Commander-in-Chief of the Revolutionary Army of Socialist Ethiopia and the Government and people of Ethiopia for their warm hospitality and for the facilities generously provided for the delegates attending the Conference; and

2. Requests the Executive Secretary of the Economic Commission for Africa to transmit the present resolution to the Government of Socialist Ethiopia.