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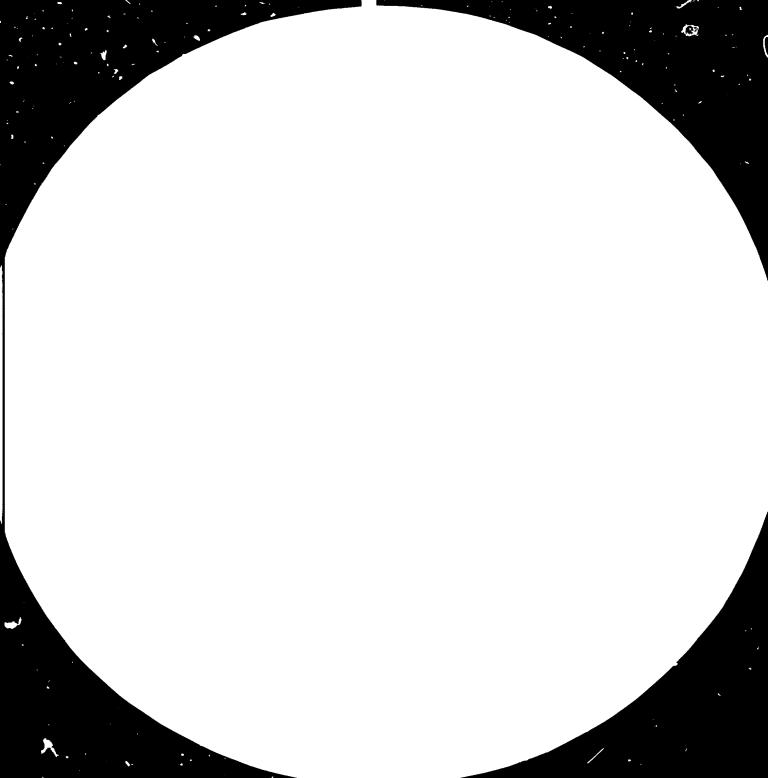
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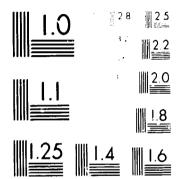
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United Nations Industrial Development Organization

# **THIRD GENERAL CONFERENCE OF UNIDO**

New Delhi, India, 21 January –8 February 1980

Agenda item 5

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REPORT OF THE FIFTH CONFERENCE OF AFRICAN MINISTERS OF INDUSTRY

Spensored by

The Economic Commission for Africa The Organization of African Unity The United Nations Industrial Development Organization

> Addic Ababa, Ethiopia 17 - 20 October, 1979

> > 060.10

<sup>\*/</sup> The attached report is currently available in English only. The French version will be issued under the same symbol as soon as it is received from the Economic Commission for Africa.





UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL Distr: LIMITED E/CN.14/INR/229 16 November, 1979 Original: ENGLISH

ECONOMIC COMMISSION FOR AFRICA

# REPORT OF THE FIFTH CONFERENCE OF AFRICAN MINISTERS OF INDUSTRY

Sponsored by

THE ECONOMIC COMPLEXION FOR AFRICA THE ORGANIZATION OF AFRICAN UNITY THE UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

> Addis Ababa, Ethiopia 17 to 20 October, 1979

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#### PART ONE

#### ACCOUNT OF PROCEEDINGS

#### A. ATTENDANCE AND ORGANIZATION OF WORK

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1. The fifth 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 from 17 to 20 October 1979.

2. The Conference was attended by representatives of the following countries: Algeria, Angola, Benin, Botswana, Burundi, Djibouti, Egypt, Ethiopia, Ghana, Guinea, Guinea Bissau, the Ivory Coast, Kenya, Lesotho, Malawi, Nigeria, the Niger, Rwanda, Senegal, Sierra Leone, the Sudan, Tunisia, Uganda, the United Republic of Cameroon, the United Republic of Cameroon, the Upper Volta and Zaire.

3. The united Nations Conference on Trade and Nevelopment (UNCTAD), the United "ations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the International Labour Organization (ILO), the Food and Agriculture Organization of the United Nations (FAO), and the World Intellectual Property Organization (WIPO) were represented in an observer capacity.

4. The African Development Bank (ADB) was also represented by an observer.

#### Opening of the meeting

5. The session was called to order by Mr. Nuhu Mohanned, the Minerian High Commissioner in Kenya, in his capacity as the Chairman of the fourth sersion of the Conference of African Ministers of Industry. He introduced Ato Hailu Yimenu, Senior Minister and Secretary-General of the National Revolutionary Pevelooment Campaign and Central Planning Supreme Council of Ethiopia, who addressed the Conference on benalf of Commate Mengistu Haile Mariam, the Chairman of Provisional Military Government of Socialist Ethiopia.

6. In his cidross, Ato Hailu Yimenu said the fifth session of the Conference was a particularly significant one as it came on the threshold of the third United Nation Development Decade. In Africa, the task ahead involved greater sacrifice and harder struggle, especially in view of the war that had to be waged against racism, colonial ism and imperialism. In addition to carrying out its main task of developing a long term strategy for industrial development in Africa, the Conference was called upon to formulate a common African position for the third General Conference of UNIDO. He was confident that, in fulfilling that assignment, the Conference would expose and reject all manoeuvres and machinations designed to discourage African countries, and indeed all developing countries, from enbarking on a programme aimed at self-reliant and self-sustaining industrialization.

7. He warned that African industrialization should not be confined to light process ing which made only a scant contribution to the achievement of self-sustaining industrial development. He also said that extreme dependence on the advanced countries created a vicius circle that could not and did not need to be tolerated, urged the Conference to pay special attention to the problems of controlling the decisionmaking process in enterprises and of acquiring the capability of producing the mechanisms required for industrialization. He recommended that a collective effort was the only way of coming to grips with those problems open to African countries in their present circumstances. In conclusion, he outlined the efforts being made in Ethiopia to provide a foundation for planned industrial and agricultural development and urged the African countries to consolidate their political will and units in a programme of action on the vital development issues facing the African continent.

8. In his opening statement the Secretary-General of OAU said that once again Africa had entered a period of self-examination as had been reflected in Monrovia at the OAU Assembly of Heads of State and Government and would be reflected in the special Summit Conference on Economic Development to be held at Lagos.

9. For a long time Africa had been running around in circles where instrialization was concerned. Efforts to industrialize had been made in isolated stages. At first emphasis had been placed on the processing of raw materials and then on the promotion of import substitution. Still later export-oriented industries had been stressed, and in some cases a stage had even been reached in which transmational corporations seeking the maximum profit for themselves had been allowed to set up production units in countries bosting them.

10. Those experiments had left a bitter taste in everybody's nouth, and the need was now felt for a new strategy and above all for action rather than words. He therefore feit that underlying purpose of the Conference at its present session was to examine the African strategy of industrial development in detail in the light of the work done at Homovia and to identify lines of positive action in preparation for the Lagos Summit. In performing that task, the Conference should abandon certain modes of thought and action which had hitherto not been open to question.

11. Industrialization could not promote growth unless it was carried out in conjunction with a serious effort to advance agricultural development, and, above all, it must take place within a <u>Community</u> perspective rather than within the narrow confines of national action. The real problem of Africa was the problem of ensuring that use is made of its substantial potential for development, a highly structured Africa forged ahead, to play its proper role in world africas. That goal could not be achieved within the outmoded framework of micro-States acting on their own initiative.

12. If such unity were achieved, real industrial planning could be effected in which plants could be set up in those areas offering the best advantages in terms of markets and other essential factors. Institutions such as the African Regional Centre for Technology, the African Regional Centre for Engineering Design and Manufacture and the African Industrial Development Fund all took their meaning from the concept of a unified Africa.

13. Although the unification of Africa was the main goal at which to aim, he felt it was also essential to work within the framework provided by UNIPO in dealing with questions as industrial redeployment, global industrial structuring and the fight against the re-emergence of protectionism.

14. In his statement, the Executive Director of UNIDC harkened back to the first session of the Conference of African Ministers of Industry, which had been held in May 1971, and the contribution it had made by adopting the <u>Addis Ababa Declaration on</u> <u>Industrial Development in Africa in the 1970s</u>, wherein the foundations had been laid for the achievement of collective self-reliance in Africa. Since then, untiring and dedicated efforts undertaken within that framework had led to the establishment of a number of regional institutions and programmes designed to enhance collective selfreliance in the industry in Africa. He was confident that the African Industrial Development Fund, the most recently contributed of those institutions would give impetus to the industrial co-operation movement in Africa, especially through the establishment of multinational enterprises. The biennial sessions of the Conference of African Ministers of Industry had been instrumental in the elaboration of the Lima Declaration and Flan of Action on Industrial Development and Co-operation adopted at the second General Conference of UNINO in March 1975.

15. He pointed out that the Conference of African Ministers of Industry had been entrusted at its fifth session with the task of formulating, on the basis of the Monrovia Strategy of July 1979, a common African position for the third General Conference of UNIDC. He said he hoped the important contribution made by the Regional Symposium on Industrial Folicies and Strategies held at Nairobi in September 1979 and by the sixth meeting of the Follow-up Committee on Industrialization in Africa had made that task casion for the Conference. Since the early 1960s a number of steps had been taken in Africa in respect of the will to promote intra-African co-operation. The progress made in the implementation of the Lima Plan of Action was also determined by the one made in programmes of co-operation; in that connexion he referred to a number of action proposals contained in the UNIDO study entitled "Industry 2000 - New Perspectives" (ID/CONF.4/3).

16. He pointed out that many African resolutions aimed at placing that UNIDO system of consultations on a permarent basis and at ensuring that it covered all the main industrial sectors UNIDO supported the proposal made by the African Heads of State and Government in Monrovia to designate the period 1990-1990 as the African Incustrial Development Decade. However, he pointed out that since UNIDO would soon be converted into a specialized agency, it would require additional resources to perform effectively at the service of the developing countries.

17. In concluding he informed the meeting that UNIDO technical assistance to Africa had risen from US\$ 6.8 million in 1974 to an anticipated value of US\$ 20.00 million in 1979, an increase - 210 per cent in real terms and hoped that the African countries would make more and better use of UNIDO which is ready to serve the noble cause of development for a better life for the peoples of Africa.

13. In his opening statement to the Conference, the Executive Secretary of ECA said it was becoming more and more obvious that Africa's quest for self-reliance and co-operation in development would bear more tangible results only if the African countries united in a meaningful way in tackling the challenge that confronted them. The basic causes of Africa's lack of dynamism and its economic and industrial backwar<sup>4</sup>ness lay primarily in the way in which its public and private institutions were organized and functioned, in the slow pace of structural change, in the opposition to the fostering of conditions that would facilitate the taking of key decisions for development and in the sluggish reaction to changing conditions in the international economy. 19. International factors were also important in industrial development there had been uncertainities as to how the old order was to change and yield place to the new. Those uncertainties had been especially apparent when attempts had been made to get international agreements on specific reforms. In this connexion he mentioned the reluctance of the developed countries to accept the principle of redeploying industrial capacities to developing countries as called for in the Lima Declaration and Plan of Action. Easing the debt burden had proved to be one of the most difficult issues to have arisen in all the negotiations covering the international economic order. Furthermore, there was strong commercial pressure on the Governments of the industrialized countries to do as little as possible to pull down tariff barriers against exports of developing countries. The dominating and restrictive influence of transnational corporations was also still an issue of great concern to Africa. As regards technical know-how, poor countries lack both the technology they need and the resources for scientific research to develop it, while the developed countries were not prepared to transfer it to them in an orderly fashion.

20. Since the 1960s the food needs of the African countries have grown much faster than their capacity for food production. The same problem had affected fertilizers, The situation had been made worse by the oil crisis which had mopped up foreign exchange which poor countries could have used to buy food and fertilizers. Cheap food aid also has damaged developing countries farmers. Those issues were the focus of the Regional Symposium on industrial policies and strategies. The Symposium brought out strongly the need for concrete action on all the economic matters of common concern. It pinpointed also that the African countries should have their development objectives quite clearly in focus before attempting to implement any type of strategy. The Executive Secretary warned that a new economic order was not going to come without struggle. Real industrial and overall socio-economic development would only be effected through economic co-operation as urged in the Monrovia Declaration of Commitment by the OAU Heads of State. He urged the African countries to devise their own strategies rather than pursuing strategies which had come from outside and which tended to keep Africa dependent on the outside world for meeting even its most basic needs.

#### Election of office:s

21. The Conference elected Ato Tesfaye Dinka, Minister of Industry of Ethiopia as Chairman; Mr. M. Liassine of Algeria, as First Vice-Chairman; Mr. Mathieu Ngirira of Rwanda, as Second Vice-Chairman; and Mr. S.Z. Jore of Malawi, as Rapporteur.

22. The Chairman commended the outgoing officers of the Conference on the service they had rendered. He called upon the African countries to forge ahead to self-reliance in a spirit of co-operation. He said that caution should be exercised in dealing with the advanced countries, which were often inclined to frustrate the development of the poor countries. He drew the attention of the Conference to the work of the Boonobic Commission for Africa, which was geared to promoting self-sustaining development in Africa. Co-operation was essential if African countries were to exercise control over their means of production, especially in the priority sectors. Finally, he urged the Conference to pay all due attention to the formulation of a common African position for the third General Conference of UNIDO.

#### В. AGENDA

- 23. The Conference adopted the following agenda:
  - 1, Opening session
  - 2. Election of officers
  - 3. Adoption of the igenda and organization of work
  - 4. General statements
  - 5. Report of the Chairman of the Follow-up Committee on Industrialization in Africa
  - 6. Implementation of sectoral programmes and inter-country projects: progress reports
  - 7. Industrial policies and strategies: consideration of the report of the Symposium on Industrial Policies and Strategies and selection of follow-up action programmes
  - 8. Regional industrial co-operation
  - 9. Progress in the implementation of the Lina Declaration on International Industrial Co-operation and Development
  - 10, Preparations for the third General Conference of UNIDO: formulation of a common African position in relation to the provisional agenda
  - 11. Preparation for the African Summit on Economic Development
  - 12. Consideration of draft resolutions and recommendations

  - Election of the Follow-up Committee on Industrialization in Africa
    Date and venue of the sixth Conference of African Ministers of Industry
  - 15. Other business
  - 16. Adoption of the report

#### General statements (agenda item 4)

24. The representative of ADB reviewed the role of the African Bank Group in the promotion of development in various economic sectors. He mentioned in particular the loans granted to African countries to finance specific projects in the agricultural and industrial sectors. In that connexion, he explained that the Bank Group had striven to foster projects that would promote intra-regional trade and co-operation.

25. He referred to the important role which the Bank had played in regional institution building as well as in the management of the several development funds entrusted to it. It had made a token financial contribution to the United Nations Trust Fund for African Development and was trying to augment its resources to cope with its expanding activities.

26. The representative of WIPO stated that one of the main objectives of WIPO was, as the case of all organizations in the United Nations system, to assist developing countries in their development efforts particularly in the industrial field. Industrial property, which by its very nature stimulated inventive activity and the use of the most efficient methods in industrial production, was an extremely important factor in the promotion of industrial development, including in particular the transfer of technology from highly industrialized to developing countries.

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27. WIPO was making an active contribution to the industrialization of Africa. To that end it had participated in the missions relating to the establishment of the African Regional Centre for Technology and had helped to draft the report on the findings of those missions. Moreover, it was executing the project concerning the establishment of a patent information and documentation centre within the African Intellectual Property Organization. (OAPI) and was helping the English-speaking countries in Africa to set up their own technological information and documentation centre.

28. While WIPO was willing to co-operate with all organizations, especially those in the United Nations system, it was of the opinion that each and every organization should work within its own competence and jurisdiction so as to avoid duplication of efforts.

29. The ILO representative emphasized the need for African Governments to concern themselves with social as well as economic matters. Economic development should not be limited to profit-making, but aim at raising the living standards of the people, satisfying their basic meeds and solving the problem of rural unemployment. There was merit in trying to eliminate inequality and injustice so that all citizens could share in the rewards of growth. In that connexion, a systematic attempt should be made to adopt technology which required more labour than capital.

30. Finally, he mentioned the importance of upgrading managerial capabilities and of instituting sound organizational and administrative structures when enterprises were set up.

31. Referring to Draft Resolution No. 3 concerning the establishment of regional development and training centres on composite flour programmes as contained in the report of the sixth meeting of the Follow-up Committee, a representative of FAO pointed out that technologies existed for composite flour development and were being used by industries in Africa saving the countries concerned significant amounts of hard currency. He urged that the technical know-how involved in that process should be shared by all African countries.

32. He also pointed out that in the summary on the first page of the Regional Food Plan for Africa adopted at the Regional Conference of the African Ministers of Agriculture in Arusha, in 1973, reference had been made to the fact that in the 10 years between 1962-1964 and 1972-1974, wheat imports in to Africa had trebled. Moreover, the list of programmes of short- to medium-term impact contained in that document included a programme for the promotion of substitute foods. With rising incomes and rapid urbanization, consumers tended to switch from traditional locallygrown staples to imported foods. That could be controlled through the development and promotion of locally-produced substitute foods.

33. We drew the attention of the participants to the exhibition of composite flour products produced by the Food Research Institute in Khartoum, and to the FAO publication entitled "Composite Flour Programme", a number of copies which had been distributed to members of the Follow-up Committee and said the publication could be made available to any member of the Conference wishing to have a copy.

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34. The representative of UNCTAD said his organization was concerned with the question of international co-operation for industrial development, especially where trade was concerned. In that connexion he noted that the pattern of world trade in manufactures and world consumption of industrial goods had not changed significantly whereas the protectionism practised by the developed countries had increased, retarding structural change and adding to difficulties of achieving the substantial increase in the export of manufactures and semi-manufactures by developing countries implied in the Lima target.

35. He mentioned a number of restructuring activities at the international level to which UNCTAD had contributed and in that connexion referred to a number of resolutions and recommendations submitted to UNCTAD at its fifth session. In the case of a number of those texts, consensus had not been possible at the session, and they had been referred to the Trade and Development Board for consideration.

36. He felt that the fifth session of UNCTAD should be seen as a landmark in the effort to restructure economic relations. However, the results of that session had fallen far short of meeting the needs and expectations of the developing countries, and he hoped that the third General Conference of UNIDO would make more progress in dealing with unresolved issues.

37. The Arusha Programme for Collective Self-reliance had been endorsed by UNCTAD at its fifth session with certain minor modifications, in which regard the Conference had resolved to convene a special session of the UP AD Committee for Economic Co-operatio among Developing Countries in 1990. Within that context, an African Regional Meeting had been scheduled to be held in Addis Ababa from 7 to 18 December 1979 and an interregional meeting, in Genera early in 1990. He strongly urged the African countries to attend the regional meeting in Addis Ababa.

38. In outlining UNCTAD's contribution to industrialization in Africa, he referred in particular to a number of projects in which WACTAD had co-operated, including some programmes for industrial integration and co-operation.

39. In his statement, a UNIDO representative referred to the statement of Dr. Khane, Executive Director of UNIDO, at the inaugural coremony of the Conference, which had already provided a broad perspective of UNIDO's mandate and new initiatives of special relevance to Africa, and to document UNIDO/EX.83, which had been prepared on the request of OAU, on UNIDO's activities in Africa. In response to various questions from a number of delegates he indicated that UNIDO, as an institution, consisted not only of its secretariat but also its member States and other relevant organizations involved in industrial devolopment. The central role of UNIDO, within the UN system, in the field of industrial technical assistance was well known to the Conference. Being staffed by about four hundred professionals, largely in engineering and economic disciplines, UNIDO was well equipped to provide assistance in the broad spectrum of industrial devolopment. In 1978, the value of UNIDO's technical assistance to the African countries amounted to US\$ 15.3 million and is anticipated to reach US\$ 20.0 million in 1979.

40. UNIDO's work, relating to investment promotion, for which a joint World Bank/ UNIDO Investment Cooperative Programme Office had been established, was of particular significance. This programme also included the establishment of investment promotion offices in selected developed countries, e.g. in Brussels, Cologne, New York and Zurich, to assist the developing countries in promoting their industrial investment projects. UNIDO had also developed a dynamic programme in the field of development and transfer of technology, including an industrial and technological bank (INTIB). Also within this programme UNIDO operated technical advisory services to the developing countries, by providing, on short notice, high level impartial and confidential advice to governments on decisions related to investment and technology transfer agreements and/or other technical matters. This service was being increasingly utilized by the developing countries. UNIDO had also established special sections, one dealing with the problems of the least developed, land-locked, island and most seriously affected developing countries, and the other devoted to programmes to promote co-operation smong developing countries. The UNIDO's system of industrial consultations, was now being considered to be operated on a permanent basis. The industrial studies activities of UNEDO provided a wide range of studies, at the global, regional and national and sectoral levels, which could be particularly useful to the African countries, as well as its sectoral publications on various aspects of industria activities and operations.

41. In accordance with the General Assembly Resolutions on co-operation between the UN and the OAU, a memorandum of understanding and co-operation had been igned between OAU and UNIDO. UNIDO was co-operating with OAU in the implementation of various resolutions adopted on industrial and technological matters. Special mention was made of a study being carried out on the preparation of a plan of action in development of industrial and technological manpower in Africa; a regional symposium on technology transfer and an investment promotion meeting, both to be held in the context of the Third All-African Trade Fair, scheduled in 1990 in Khartoum. It was expected that the BCA and other regional organizations, such as the African Regional Centre for Technolo would join UNIDO and the OAU in these activities. UNIDO was also co-operating with ECA in the implementation of the various decisions of the Conference of African Ministe of Industry. Such co-operation was ensured partly through the Joint ECA/UNIDO Industr Division which tied both organizations to a common cause. In order to enhance and facilitate UNIDO's services to Africa, it would be necessary to intensify communication between UNIDO and the African countries. Previous resolutions by the OAU and the Conference of African Ministers of Industry, had indicated the need for the African countries to accredit ambassadors to UNIDO, to revitalize or establish national committees for UNIDO and to intensify participation at the Industrial Development Boar of UNIDO and other policy-making meetings, to ensure that Africa's point of view was reflected in the policies of UNIDO. In this connexion, the field representation of UNIDO, through the senior industrial development field advisors programmes, had been emphasized, and African delegates at the governing council of UNDP and ECOSOC had been called upon to give strong support to this programme. Finally, there was need to promote and increase the financial resources available to UNIDO, particularly through the UN Industria' Development Fund.

# Report of the Chairman of the Follow-up Committee on Industrialization in Africa (agenda item 5)

42. In introducing the report contained in document ECA/CMI.5/INR/TP/I the Chairman of the Follow-up Committee on Industrialization in Africa pointed out that as a result of a number of important regional meetings held since the fourth session of the Conference of African Minister's of Industry, a draft development strategy for the African region for the third United Nations Development Decade had been produced (ECA/Res.332(XIV) and approved by the OAU Heads of State and Government in their Monrovia Declaration (CM/Res. 722 (XXXIII). 43. He said that inadequate resources constituted a constraint on ECA in implementing its programmes and projects and suggested that Africa can enhance its own collective self-reliance by providing seen money through the African Trust Fund.

44. He commended the use of African experts in the implementation of sectoral programmes and inter-country projects and paid a tribute to them for their efforts in the areas in which they have been employed.

45. With regard to development of industrial policies and strategies, he said the recent kegional Symposium had enabled the African countries to become aware of the importance of the need to review their national industrialization programmes regularly.

46. The need to intensify the various forms of regional co-operation through such means as the establishment of African multinational industrial corporations also emerged very clearly in the recommendations of the Symposium. Linked to that need was the urgent requirement for an African strategy to transform and integrate African local raw materials, human skills and capital.

47. As far as the African countries were concerned, all strategies should strengthen, rather than supplan., African strategies. Also the policy implications of the new structures should be well digested by the countries before they committed resources to them. The question of consolidating the African strategies, along with the other icoues within the framework of a common African position, was covered in the report of the sizth meeting of the Follow-up Committee. He therefore expected the Conference to consider these issues, along with others, in preparation for the third General Conference of UNIDO.

43. He concluded by reminding the Conference of its duty to elect new members of the Follow-up Committee.

#### Implementation ... sectoral programmes and inter-country projects: progress reports (agenda item 6)

49. The Chairman of the sixth meeting of the Follow-up Committee on Industrialization in Africa introduced the report contained in document E/CN.14/INR/223, embodying the summaries of the discussions and the conclusions reached by the Committue concerning the various decisions of the fourth Conference of African Ministers of Industry. The document consisted of three parts: Part One, Proceedings; Part Two, Conclusions; and Part Three, Resolutions, The Conference was expected to examine Parts Two and Three, referring to Part One only for information on the agenda items concerned. The Executive Secretary of ECA gave some additional clarification on the backgreened, objectives and the progress made in implementing the sectoral programmes and intercountry projects referred to in the report.

50. In that connexion he informed the Conference that the statutes on the establishment of the African Industrial Development Fund would be open for signature during the session and invited all the countries represented at the Conference to become members of the Fund. With regard to the African Centre for Engineering Design and Manufacturing E/M.14/MR/229 Page 10

he noted that some 20 States had already joined the Centre and the remaining <sup>29</sup> should join as soon as possible. The first meeting of the Executive Board of the Centre was due to meet later in the month and all ECA/OAU member States had been invited, whether they were already members or not. Therefore, those who were not members should come determined to join the Centre. He made reference also to the Higher Technical Institute for Training and Research which was to be located in Nairobi and was an important part of the group of inter-country institutions in the regions. Regarding the case of the African Centre for Consulting Engineering and Management, the "executive Secretary drew the attention of the Conference to the reservations expressed at the fourth session and advised caution before committing resources to its establishment. Concrete support from member States was needed to create and operate such instruments. Development was not an inexpensive undertaking; it implied the realization of individual concrete projects which cumulatively would result in a breakthrough.

51. In the discussion that followed on this introduction, several participants emphasize that indeed the ECA secretariat requirement for continued adequate financial support should be met, so as to make it an effective instrument in the implementation of its work programme. However, some participants felt that before undertaking any action in sectoral programmes, the sponsoring organizations should ensure that financial resources are available not only for studies and country missions but also for the implementation of the industrial projects. In certain cases, such as in the case of the programmes in metals and engineering, country missions and reports were prerequisite to finding out the actual country problems in those areas and devising methods of solving them. Examples were given of under-utilization of installed capacities, in spite of the availability of raw material. The study missions could be instrumental in helping to raise capacity utilization thus contributing to a considerable protection increase.

52. Some participants expressed the opinion that the creation of a Regional Centre for Consulting Engineering and Management should be given high priority and Linked it with consultancy services which were seriously required in advising countries on industrial capacity utilization. As such, the Centre should actually constitute a starting point in correcting such mistakes in industrial project formulation and implementation. The Conference was thus requested to reconsider the attitude expressed in the Follow-up Committee report regarding the institution.

53. In response to one agreed conclusion of the Follow-up Committee, the Chairman of the meeting of Plenipotitiaries for establishing the Fund brought to the attention of the Conference the decision reached at the meeting of Plenipotentiaries that the functions of the Fund should be expanded to deal with medium- and small-scale industries as well as with large multinational industries. He emphasized, however, that handicrafts had not been included.

#### Industrial policies and strategies (agenda item 7)

54. The Conference commended the sponsoring organizations on their successful efforts in organizing the Regional Symposium on Industrial Policies and Strategies in Africa.

55. Recalling that the Symposium had laid great stress on the role of agricultural sector as the basis for development in Africa, one representative pointed out that that aspect did not seem to come out clearly in the report of the Follow up Committee under consideration.

#### Regional incustrial co-operation (agenda item 3)

55. One delegation presented a proposal to the effect that African countries should consider seriously the setting up of what he termed "industrial development zones" as one of the practical instruments for fostering multinational comperation in the priority sectors recommended at the fourth Conference of African Ministers of Industry. He recommended that further work on implementation of these priorities could proceed as follows:

(a) Formulation of "industrial development zones" on the basis of existing subregions or any group of countries willing to develop the priority sectors within the context of multinational or joint ventures;

(b) ECA, OAU and UNIDO, should initiate feasibility studies on projects likely to be developed as multinational enterprises;

(c) Consultation meetings of Ministers of Industry of countries in the identified "industrial development zones" should be organized under the auspices of DCA, OAU and UNIDO to decide on priorities for implementation;

(d) Meetings of Ministers of Industry in the "industrial development zones" should precede the sixth session of the Conference of African Ministers of Industry (in 1981) to which they would provide inputs.

The Conference accepted the above proposal and instructed ECA, OAU and UNIDO to follow it up.

57. Within the context of multinational co-operation, the representative accepted the properal that should African multinational industrial corporations be established, they should be indigenous African companies. They could be indigenous private or public companies or a mixture of both. The idea was to foster multinational enterprises which were genainely African and to avoid domination by foreign investors. To this effect, consideration should be given to any form of regional or subregional industrial projects which would facilitate rapid implementation such as entrusting the realization and management of such projects to a single country, but whose products and services were aimed at a multinational market whose prior commitment had been sought. This type of projects had the advantage of flexibility in plan implementation, the possibility of reaching an optimum size and a greater possibility of obtaining credit from regional and international financial institutions.

58. The question of co-operation in training for industry was emphasized by several participants, and the Conference accepted the recommendations that African countries which had had experience in industrial training and research institutions should place their training and research structures at the disposal of other African countries, so as to facilitate a certain amount of transfer of technology among African countries. A selected number of such African mational and regional institutions could operate to serve several African countries.

59. Some delegates pointed out that in the process of industrialization, African countries should not lose sight of the need to protect and improve the environment.

### Progress report in the implementation of the Lima Declaration on International Industrial Co-operation and Development (agenda item 9)

60. A representative suggested and the Conference agreed that Africa should set its own specific target to be achieved within a specified target date. That would contribute to efforts towards the achievement of Lima target, especially with regard to increasing Africa's share in world industrial production.

61. A representative of UNIDO, referring to the document entitled "Industry 2000 -New Perspectives" (ID/CONF.4/3), pointed out that manufacturing shares of develoring countries had been recalculated using deflators, indicating now that that share had been 8.6 per cent in 1975 and had crept up to about 9 per cent in 1977. On the basis of that rate, he stated that by the year 2000, the share of all developing countries would be only 12 per cent and not the 25 per cent referred to in the Lima target.

62. A representative expressed the view that the African countries should also give attention to the role of the African private sector in contributing to industrial progress. As a whole, every potential should be activated and appropriate regional economic structures created with a view to enabling Africa to achieve the Lina target. UNIDO was requested to undertake studies accordingly.

63. Several representatives made it clear that African countries would have to make tremendous effort to achieve the Lima target. They also noted, with regret that the developed countries as a group did practically nothing to help the African countries achieve the Lima targets. The developed countries were not receptive to the Lima principle regarding net transfer of resources to the developing countries. UNIDO was requested to supply comprehensive information in that respect.

# Preparations for the Third General Conference of UNIDOs formulation of a common position in relation to the provisional agenda (agenda item 10)

64. A representative of UNIDO introduced the document submitted by UNIDO entitled: "Industry 2000 - New Perspectives" (ID/CONF.4/3) summarized in document BCA/CMI.5/INR/MI and Addendum 1 for this item. He outlined the basic principles adopted in preparing the document. In the document gaps in international resources mobilization had been identified and certain operate mode to fill in such gaps. These proposals include: the establishment of an International Industrial Finance Agency; a global fund to facilitable massive transfer of resources from developed to developing countries; an International Development Commission to develop international industrial development laws; an international institute for the development and transfer of technology; an international centre for the joint acquisition of technology; an international patent examination centre; and a system for the resolution of infustrial conflicts.

65. Following this introduction, the Chairman of the Follow-up Committee indicated that this item of the agenda had been discussed in the Follow-up Committee on the basis of document BCA/CMI.5/INR/WP/7. The record of the Committee's discussion and

its conclusions are presented in pages 11 to 14 and 13 to 19 of its report respectively. He noted that the Committee adopted document  $ECA/CHI_5/INR/MP/7$  in which most of the proposals had been discussed at the Nairobi Symposium except the new proposals presented above.

66. In its deliberations the Conference concentrated on the new UNIDO proposals since there was an apparent concensus on t e other elements of the proposals for a common African position at UNIDO III.

67. Some delegates were rather apprehensive of the proposed new global institutions as they felt that Africa being the poorest benefitted the least from such institutions. They are usually far removed from the countries that needed help wost and their creation might be of considerable strain on Africa's slender resources. Other delegate: were of the opinion that Africa, particularly the least developed countries, should gain from the creation of these institutions which could fill in certain gaps provided proper guidelines were drawn up for their location and operations. Some delegations were of the opinion that some institutions proposed by UNTDO were likely to duplicate the work of existing international institutions. For example the proposed Internationa Patent Examination Centre would duplicate with MIPO. They felt that the main thrust should be on strengthening the institutions already created in Africa, given also the problem that African countries did not have the personnel to participate effectively in the management of such international institutions.

68. In response to these opinions, a UNIDO representative indicated that the member States were not expected to bear the burden of financing the proposed institutions. These institutions had been identified, in order to cater for the needs of the developing countries, currently not being adequately met by existing institutions. The designation of the lead agency for carrying out the functions foreseen for the proposed institutions would be decided at UNIDO III, and it was conceivable that MIPO could be assigned the lead agency role for the proposed International Patent Examination Centre.

69. Following the trends of discussion which took place on UNIDO's proposal it was agreed that ECA and OAU, in co-operation with UNIDO, assisted by a group of experts volunteered by African Governments should examine all the relevant documents presented at the Conference as well as records of its discussions on them and other issues, integrate all these aspects into a document to be considered by an extra-ordinary sessi of the African Ministers of Industry which should be convened a day or two before the special meeting of the Group of 77 in preparation for UNIDO III. Even if the Group of 77 does not meet, the Africar Ministers of Industry should meet prior to UNIDO III.

#### Preparation for the African Summit on Economic Development (agenda item 11)

70. The Conference took note of the paper ECA/CHI.5/INR/WP/9, embodying the texts of the Monrovia Strategy and the Declaration of Commitment adopted by the OAU Heads of State and Government, which was presented for discussion under this agenda item.

71. The Conference decided that, following the current consultations between OAU and ECA on the preparations for the African Summit, OAU would indicate the need for a special meeting of the African Ministers of Industry or an enlarged meeting of the E/CN.14/INR/229 Page 14

Follow-up Committee on Industrialization in Africa, to be organized by OAU, ECA and UNIDO to work out recommendations for the Summit in the industrial sector, taking into account the results of UNIDO III.

Consideration of draft resolutions and recommendations, election of the Follow-up. Committee, date and venue of the Sixth Conference of African Ministers of Industry and adoption of the report (agenda items 12, 13, 14 and 15)

7%. After considering the report of the Drafting Committee of the Whole, the Conference adopted the Agreed Conclusions prepared by the Follow-up Committee. The Conclusions appear in Part Two of the report.

73. The Conference decided on the composition of the Follow-up Committee on Industria ization in Africa. The decision appears in Part Two of the report.

74. The Conference then considered and adopted Resolutions concerning, <u>inter alia</u>, the formation of African multinational corporations, the regional inter-country projects, and the common African position at UNIDO III. The resolutions appear in Part Three of the report.

75. After considering the draft report, the Conference adopted the present report.

76. After considering the invitation of the Government of the Republic of Uganda to hold the Sixth Conference of African Ministers of Industry in Kampala, decided that the Sixth Conference would be held in Kampala, Uganda, in 1991.

77. A wote of thanks was expressed to the Chairman of the Fifth Conference, the Government of Socialist Ethiopia, as well as to the sponsoring organizations (SCA, OAU and UNIDO), for their efforts which enabled the Conference to hold its fifth session successfully.

72. The Chairman thanked the participants for their active and 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 prepare for UNIDO III and to promote the realization of the farreaching decisions of the Conference.

79. The Chairman then declared the fifth Conference of African Ministers of Industry closed.

#### PART TWO

#### AGREED CONCLUSIONS

#### A. <u>Implementation of sectoral programmes and intercountry prosects: progress</u> report (agenda iven 6)

## (a) <u>Sectoral programes</u>

1. The Conference was satisfied that the programmes on building and construction materials industries, forest-based industries and food- and agro-based industries had made sufficient progress and were entering the practical implementation stage for the provision of assistance to countries.

2. With regard to the chemical and metal/engineering programmes whose mission reports would be examined by intergovernmental groups of experts scheduled from 26/11 to  $1/1^2$  in case of chemicals, and 3/12 to 9/12 regarding metals/engineering, the Conference welcomed the progress so far in promoting them but noted that there was still some work to be come to concretize them.

#### (b) Intercountry projects

1. The Conference noted with satisfaction the progress schieved in the establishment of the <u>African Industrial</u> Development Fund and urged the African countries to give their noral and financial support to it.

2. While it felt the need to establish a Centre for Consulting Engineering and Management, the Conference called upon the sponsoring organizations to undertake further studies in order to determine whether such a Centre should be established.

3. Concerning the African Centre for Engineering Design and Manufacturing, the Conference noted with satisfaction the progress achieved in its establishment, and urged African countries which had not yet acceded to the Constitution to do so, and those which had, to despatch their contributions promptly to the secretariat of the Centre.

#### B. Industrial policies and strategies (agenda item 7)

1. The Conference endorsed all the recommendations put forward by the three conditions of the Regional Symposium on Industrial Policies and Strategies. The Conference was satisfied with these recommendations which contained elements for a common African position on industrial matters.

2. In view of the importance of these recommendations, the Conference requested BCA, OAU and UNIDO, and other relevant organizations, to take steps to assess the full implications of the Symposium report, with a view to determining and formulating basic priority programmes of action towards the achievement of an increasing measure of self-sustaining industrialization, diversification and self-reliance within the proposed strategy for the African region as adopted by the African Heads of State and Government in Monrovia. Such programmes and a plan for implementing them will be submitted to the Conference for consideration at its next meeting. E/CN.14/INR/229 Page 16

#### C. <u>Regional industrial co-operation</u> (agenda ite: 8)

1. The Conference endorsed the suggestions made in the document submitted under this agenda item (BCA/CMI.5/INR/WP/6) concerning methods for achieving industrial co-operation the selection of criteria for priority projects are the ways and means of follow-up action, on the understanding that availability of raw materials and size of markets should be added to the list of the criteria in paragraph 25 of the document.

2. On the establishment of African multinationals, the Conference agreed to support the establishment of African multinationals and since it considered that the information provided in paragraphs 27-29 of the document did not provide enough data for the selection of such projects requested BCA and UNIDO to undertake further studies aimed at the identification of multinational projects suitable for execution by African countries.

3. The Conference recommended that those African countries that possess and have had experience in industrial training and research institutions should place their training and research structures at the disposal of other African countries, so as to facilitate certain amount of transfer of technology and expertise within the African region. A selected number of such African national and regional institutions could operate to serve several African countries.

#### D. <u>Progress in the implementation of the Lina Declaration on International</u> <u>Co-operation and Development</u> (agenda item 9)

1. After considering the documents submitted under this item, the Conference agreed on the role played by the Follow-up Cormittee on Industrialization in Africa in the formulation and/or implementation of the following programmes within the framework of Lima Declaration and Plan of Action in the African region.

- (i) Establishment of the African Centre for Technology;
- (ii) Establishment of the African Industrial Development Fund;
- (iii) Establishment of the Centre for Engineering Design and Manufacturing;
- (iv) Various industrial sectoral programmes;
- (v) Project on multinational co-operation;
- (vi) Organization of the Symposium on Industrial Policies and Strategies for the period 1978-2000 held in Nairobi from 11 to 18 September 1979;
- (vii) Promote increased awareness by African countries of the importance of industrialization and its major components.

These activities did us : take all the objectives into account, and the Conference cautioned that Africa still had a long way to go both at the national and the regional levels to achieve the Lina targets.

2. In order to facilitate the achievement of the Lima target in the African region, the Conference requested the ECA, OAU and UNIDO, in consultation with the African Governments to work out specific targets to be achieved within a specified period. 3. The Conference also recommended that UNIDO should undertake to better assess the contribution the developed countries have made in assisting the developing countries in general and the African countries in particular towards achieving their Line targets, especially with regard to quantitative and qualitative transfer of resources. UNIDO was requested to provide this information which should be as comprehensive as possible, to the meeting of African Plenipotentiaries preparatory to the Group of 77 meeting and UNIDO III.

#### E. <u>Preparation for the third General Conference of UNIPO: formulation of a</u> common African position in relation to the provisional agenta (agenta item 19)

1. The Conference took note of the new international institutions and programmes proposed under this agenda item. However, since time was inadequate to digest the relevant information contained in the document submitted by UNIOD entitled: "Industry 2000: New Perspectives" (ID/CONF.4/3) and summarized in document ECA/CMI.5/INR/MP/7, the Conference recommended an in-depth study of the documents by African Governments with a view to determining the full implications of the information presented with regard to formulating a common African position in line with the Honrovia Strategy. Thereafter a meeting of Plenipotentiaries should be convened too three days before the meeting of the Group of 77 so that the Plenipotentiaries would agree upon a correct African position. This meeting of Plenipotentiaries should be attended by African Ministers of Industry.

2. The Conference agreed with the conclusions arrived at at the African Symposium or Industrial Policies and Strategies at Nairobi which along with the Monrovia Declaratic constitute the broad guidelines which should be used in formulating a corron African position at UNIDO III. An attempt at working out this corron African position had been undertaken in document ECA/CHI.5/INR/MP/7 and was discussed by the Follow-up Cormittee which made its recorrendations to the Conference.

3. The Conference agreed with the recommendations of the Follow-up Cornittee regarding the inadequate time available to consider the various proposals for the establishment of new international institutions contained in the document substited by UNIDO entitled "Industry 2000: New Perspectives" ID/CONF.4/3 and surmarized in document ECA/CMI.5/INR/MP/7. Therefore the Conference agreed that ECA and OAU support by a small group of well-known individual African experts, volunteered to ECA by the Governments, and assisted by UNIPO in clarifying the points contained in its document ID/CONF.4/3, should examine all the relevant documents and issues presented at the Conference and prepare a document specifying the common African position at UNIPO III. This document would then be considered by an extraordinary meeting of African Minister of Industry prior to UNIDO III. SCA would meet the per diem cost of the governmental experts preparing the document in Addis Ababa.

#### F. Preparation for the African Surrit on Economic Development (Agenda item 11)

1. The Conference took note of the paper ECA/CHI.5/INR/MP/9 prepared for consideration under this item. E/CN.14/INR/229 Page 13

2. The Conference decided that, following the current consultations between OAU and ECA on the preparations for the African Summit, OAU would indicate the need for a special meeting of the African Hinisters of Industry or an enlarged meeting of the Follow-up Committee on Industrialization in Africa to be organized by ECA, OAU and UNIDO to work out recommendations for the Summit in the industrial sector, taking into account the results of UNIDO III.

# G. <u>Election of the Follow-up Committee on Industrialization in Africa</u> (agenda item 13)

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

Officerst	Chairman	-	Ethiopia
	First Vice-Chairman	-	Algeria
	Second Vice-Chairman	-	Rwanta
	Rapporteur	-	Halavi
<u>Henberst</u>	Eastern African subregion: Botswana, Kenya, United Republic of Tanzania		
	Central African subre	: Angola, Burundi, Zaire	
	North African subregion:		Egypt, Sudan, Tunisia
	West African subregion	n:	Ghana, Ivory Coast, Niger

#### n. Uate and venue of the Sixth Conference of African Ministers of Industry (agenda item 14)

1. On invitation of the Government of the Republic of U<sub>f</sub> and the Conference decided that the Sixth Conference of African Ministers of Industry would be held in Kampala in 1981 and also decided to comopt Uganda as a member of the Follow-up Committee 1979-1981.

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#### PART THREE

#### RESOLUTIONS

#### 1(V) African Bultinational Corporations

#### The Conference of African Ministers of Industry

Taking note of the importance attached to the attainment of collective self-reliance among African countries in the Declaration of the African Heads of State and Government and the Monrovia Strategy for Economic Development in Africa,

<u>Recalling</u> its resolution 19(IV) on Industrial Co-operation among African countries and taking into account the work already carried out by the Executive Secretary of the Economic Commission for Africa pursuant to the provision of that resolution,

Bearing in mind the need for more extensive industrial processing of the natural resources with which the African region is abundantly endowed,

<u>Recognizing</u> the importance attached by the Symposium on Industrial Policies and Strategies in Africa to the various forms of industrial co-operation as an instrument for self-sustaining industrialization and the need to establish, as soon as possible, multinational corporations owned by African States for the purposes, <u>inter alia</u>, of undertaking joint ventures and taking advantage of complementarities in natural resources endowment and markets,

Noting the recommendation by the Symposium concerning the need to encourage public and private investment by nationals to help ensure national control for domestic industrialization and joint enterprises as agents of production and distribution with a view to increasing the sovereignty of African countries over their natural resources for the benefit of the African people while at the same time facilitating the development of skills,

1. <u>Calls upon</u> African Governments to provide individually and collectively all the support needed by the secretariat to undertake preparatory activities towards the establishment of African Multinational Corporations, including those based on agreed industrial development zones,

2. <u>Requests</u> the Executive Secretary of the Economic Commission for Africa, in co-operation with the Secretary-General of the Organization of African Unity and the Executive Director of the United Nations Industrial Development Organization to:

(i) Take steps to initiate consultations among interested member States to identify priority areas in which African Multinational Industrial Corporations might be established, including those based on agreed industrial development zones;

- (ii) Carry out economic/technical sturies of specific projects in the identified priority areas;
- (iii) Use whenever possible African consultancy institutions in carrying out specific studies required for efficient project implementation;
- (iv) Work out the most suitable ways and means of establishing such corporations which would implement these projects;
- (v) Work out sequence of steps to be taken towards the creation of African multinational industrial corporations;
- (vi) Convene regular consultative meetings of Ministers of Industry for industrial development monze;
- (vii) Undertake other preliminary activities towards the establishment of African Multinational Corporations and report on their progress to the Conference at its sixth session. In carrying out these activities, the assistance and collaboration of relevant national, subregional, regional and international organizations should be sought.

#### 2(V) Regional Centre for Consulting Engineering and Management

#### The Conference of African Ministers of Industry

Taking note of the findings of the Executive Secretary of the Economic Commission for Africa concerning the difficulties involved in combining the functions of the Regional Centre for Consulting Engineering and Management, with those of the Centre for Engineering Design and Manufacturing and the Centre for Technology.

<u>Mindful</u> of the need to man, newly created regional institutions completely effective before embarking on the establishment of additional institutions,

<u>Conscious</u> of the increasing need for effective consultancy engineering services, as affirmed by the recent Symposium on Industrial Policies and Strategies, and for resources to pay for those services,

1. Invites the Executive Secretary of the Economic Commission for Africa in co-operation with the Secretary-General of the Organization of African Unity and the Executive Director of the United Nations Industrial Development Organization, to undertake preparatory activities towards the creation of the African Regional Centre for Consulting Engineering and Management and to report on the progress made to the Conference at its sixth Session, on the understanding that on the basis of that report, the Conference will decide whether or not to proceed with the establishment of the Centre.

### 3(V) Regiona' Development an' Training Centres on Composite Flour Programes

#### The Conference of African Ministers of Industry,

<u>Taking note</u> of substantial continuing increases in expensive imports of wheat and wheat flour into Africa during the last ten years, the availability of cheaper non-wheat grains and tubers (sorghum, millet, cassava) in African countries, and the progress made in the utilization of indigenous non-wheat flours from these grains and tubers in breadmaking, especially in the Sudan and Senegal, in cooperation with FAO,

1. <u>Calls upon</u> FAO and ECA in co-operation with UNIPO, to undertake a feasibility study on the strengthening of existing composite flour development and training centres to serve regional needs - one for East and Southern African countries, the other for West, Central and Northern African countries,

2. <u>Requests</u> FAO and ECA in co-operation with UNIPO, to compile technological processes for the production of composite flour utilizing indigenous grains and roots such as sorghum, millet, maize, and cassava and make these available to member States as soon as possible.

### 4(Y) Follow-up action on the conclusions and recommendations of the African Regional Symposium on Industrial Policies and Strategies

The Conference of African Ministers of Industry,

Having studied the report of the African Regional Symposium on Industrial Policies and Strategies held in Nairobi, Kenya, from 11 to 18 September, 1979 1/

Noting with satisfaction the emergence of a general consensus in the Symposium concerning the appropriate industrial policies and strategies for achieving self-sustaining development and diversification and collective self-reliance during the period 1979-2009,

Recognizing the importance of implementing these policies and strategies,

1. <u>Commends</u> the policies and strategies agreed on at the Symposium to African Governments individually and collectively,

2. <u>Requests</u> The Executive Secretary of the Economic Commission for Africa, the Secretary-General of the Organization of African Unity and the Executive Director of the United Nations Industrial Development Organization, to follow-up on the conclusions of the Symposium approved by the Conference at its fifth session, in particular by:

- (i) Formulating concrete measures and projects to assist member States in their individual and collective implementation of the policies and strategies agreed on at the Symposium,
- (ii) Distributing those measures and policies to member States and reporting back on the progress made to the Conference at its sixth session.

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### 5(V) Common African Position at UNITO III

#### The Conference of African Ministers of Industry,

<u>Quided</u> by the Monrovia Declaration of Commitment of the Heads of State and Government of the Organization of African Unity on Guidelines and Measures for National and Collective Self-reliance in Social and Economic Development for the Establishment of a New International Economic Order, 1/

<u>Mindful</u> of the OAU decision taken by the Organization of African Unity to hold a special Summit on Economic Development of Africa in 1930 and of the need for the Conference of African Ministers of Industry to provide an input to the examination of the industrial sector by this Summit,

<u>Recalling</u> OAU resolution CM/Res. 551 (XXIX) and CM/Res. 77? (XXXIII) of the Organization of African Unity and resolution 7(IV) of the Conference of African Ministers of Industry, all of which pertain to the third General Conference of UNIDO,

Taking into consideration the conclusions and recommendations of the African Regional Symposium on Industrial Policies and Strategies for Internally Selfsustaining Development and Diversification and Collective Self-reliance during the period 1973-2000, 2/

Also taking into consideration the preparatory activities undertaken by UNIDO for the Conference, including the recommendations contained in the study entitled "Industry 2000: New Perspectives" 3/ prepared in pursuance of resolution 3362 (S-VII) adopted by the United Nations General Assembly at its seventh specia. session in September 1975,

Noting that although the contribution of African States to the formulation of strategies for the third United Nations Development Decade had so far been marginal, they strongly desire to intensify their participation in the elaboration of an international strategy for the resturcturing of world industry in the context of the third United Nations Development Decade,

1. Adopts with the reservation indicated in paragraph 2 below, the final text of doc...Gat ECA/CMI.5/INR/WP/7, submitted by the Follow-up Committee on Industrialization in Africa as the common African position in negotiations at the third Ceneral Conference of UNIDO, and in the preparation of the industrial input to the OAU Special Summit on Economic Development and as the African input in the formulation of the industrial strategy for the third United Nations Development Decade.

<sup>1/</sup> AHS/ST.3 (XVI)

 $<sup>\</sup>overline{2}$  / E/CN.14/INR/227

 $<sup>\</sup>overline{3}$ /  $\overline{10}$ /CONF.4/3

2. <u>Takes note</u> of the proposals contained in the study entitled "Industry 2000: New Perspectives" concerning the establishment of:

- (i) An international industrial technology institute;
- (ii) An international centre for the joint acquisition of technology;
- (iii) An international patent examination centre;
- (iv) An international in ustrial finance agency;
- (v) A global fund for the stimulation of industry;
- (vi) A Commission for international industrial development law;
- (vii) A system for the resolution of industrial conflicts

as well as the recommendations made in the same study related, inter alia, to:

- an international industrial; finance and negotiations network;
- the promotion of barter or buy-back related investments;
- the increased use of intergovernmental framework and project agreements;
- the increased mobilization of the potential of medium-sized enterprices and other non-TNCs by the developing countries from industrialized countries

3. Urges that the new international financial institutions proposed by UNIDO should give priority to servicing of the least developed, land-locked, island and most seriously affected developing countries. To this effect, these institutions should set up a substantial **share** of resources to be given to these countries and take all necessary measures (favourable interest rates, simplified studies of projects. easier procedures for obtaining credit) aimed at facilitating easy access to these funds by the countries concerned;

4. <u>Calls upon</u> African Governments to study these proposals taking into account the report of the expert group established by the Conference to finalise the draft on the Common African Position at UNIDO III, with a view to establishing a common African position on them at a meeting of Plenipotentiaries to take place in Latin America, late in November or early in December 1979, prior to the meeting of the Group of 77 in preparation for the third General Conference of UNIDO;

5. <u>Directs</u> attention to the need to adopt policies and strategies which would facilitate:

- (i) The achievement of African aspirations for self-sustaining and self-reliant accelerated industrial development
- (ii) Intra-African industrial co-operation at the continental and subregional levels related particularly to the expansion of intra-African industrial trade and increase industrial exploitation of African agricultural, energy, mineral and other natural resources for the benefit of the African people through inter alia, the establishment of African multinational industrial corporations;

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6. <u>Calls upon</u> African Governments to intensify the efforts they are directing towards:

- (i) The development of industrial and technological manpower;
- (ii) Strengthening the technological capability of African countries in the development and marketing of indigenous technologies and the appraisal, selection, a equisition and adoption of foreign technologies;
- (iii) The development of appropriate institutional machinery at the national, subregional and regional levels for founding, planning, monitoring and serving activities for industrial and technological development;
- (iv) The use of more substantial amounts of national financial resources and the securing of an increased flow of external funds for industrial development;
- (v) The adoption of special measures in favour of the least developed, land-locked, island and most seriously affected developing countries;
- (vi) Increased technical and economic co-operation among the developing countries;
- (vii) The adoption of new machinery to ensure the flow of external financial and technical assistance in support of African efforts both at the national level as well as at the subregional and regional levels, and in accordance with African development objectives;
- (viii) The Proclamation of an African Industrial Nevelopment Decade;
  - (ix) The promotion of intra-Africa co-operation, through identification and implementation if multimetional projects and sharing of industrial training and research structures.

7. Urges the developed countries and international organizations to intensify and expand their financial and technical assistance to the African countries, both at the national as well as at the regional levels in carrying out the above and other industrial development programmes;

3. <u>Reaffirms</u> UNITO's role as the focal point within the UN system for coordinating all matters concerning technical co-operation in the developing countries in the field of industrial development;

9. <u>Melcomes</u> in this context, the decision to convert UNIPO into a UN Specialize' Agency, and urges all member States of the United Nations to sign and ratify the new Constitution;

10. <u>Press</u> accordingly that UNIDO's activities be strengthened and expanded especially in the following priority areas:

- (i) operational field activities,
- (ii) dovelopment and transfer of technology,

- (iii) improved systems and procedures for the **regular** collection, compilation and dissemination to developing countries of industrial and technical information, particularly on net resources transfer from the developed to the developing countries,
- (iv) pre-investment and investment promotion activities,
- (v) industrial consultations which should be undertaken on a permanent basis, and technical and financial assistance provided to all African countries to facilitate preparation, effective participation and follow-up on these consultation meetings,
- (vi) special measures for the least developed, land-locked, island and most seriously affected developing countries,
- (vii) economic and technical co-operation among the developing countries,
- (viii) industrial studies, with exphasis on industrial evaluation, in more precise terms, of efforts made by the African countries individually and collectively towards the achievement of the Lina target.

To this effect the internal accurcture should be adjusted to enable the organization of effectively carry out its activities particularly on the above mentioned priorities;

11. <u>Further urges</u> that the field presence of UNIPO be strengthened through the expansion and improvement of the Senior Industrial Development Field Advisers' programmes. To this effect the number of African SIDFAs should be greatly increased;

12. <u>Calls</u> upon Governments to increase their contribution to the United Nations Industrial Development Fund so as to enable UNIDO effectively carry out its mandate and to cope with the increasing requirements of the developing countries;

13. <u>Requests</u> the Secretary-General of the OAU and the Executive Secretary of BCA to communicate this resolution and the text of document ECA/CHI.5/INR/MP/7 on the common African position on UNIDO III to the relevant authorities in all member States of the OAU;

14. Urges all African countries to ensure that the contexts of this resolution and the final text of document ECA/CMI.5/INR/MP/7 are brought to the full attention of their delegations to:

- (i) the special session of the UNIDO Industrial Development Board devoted to final arrangements for UNIDO III scheduled to take place in Vienna from 12 to 16 November 1979;
- (ii) one meeting of the Group of 77 scheduled to take place in Latin America between late November and early December 1979 to elaborate its common position in UNIDO; and
- (iii) to the Conference itself scheduled to take place in New Delhi, India, from 21 January to 3 February 1980.

15. <u>Requests</u> the Executive Secretary of ECA, the Secretary-General of the OAU and the Executive Director of UNIDO, in accordance with the endorsement of the OAU Heads of State and Government, to declare the period 1980-1989 as the African Industrial Development Decade, and in collaboration with other international organizations assist the African countries in drawing up and implementing a comprehensive plan of action at the national, regional and global levels in the achievement of the objectives of the decade. 16. <u>Requests</u> the Executive Director of UNIPO to take into full consideration the contents of this resolution and the final document on the common African position on UNIDO III in the final UNIPO headquarters preparations for the Conference.

17. Expresses its appreciation to the secretariats of the BCA, OAU and UNITO for the assistance in the preparatory work towar's the adoption of a cornon African position on UNIDO and the Government of Kenya, for hosting the African Regional Symposium.

#### 6(V) Sectoral programes

#### The Conference of African Ministers of Industry,

<u>Cognizant</u> of the effort required by the African region, as to the least developed among the developing regions, to implement the Lima Declaration and Plan of Action,

<u>Recalling</u> the Monrovia Strategy for the economic development of Africe drawn up on the basis of the Monrovia Declaration of Conmitment, adopted by the African Heads of State and Government,

Also recalling the agreed conclusions of the Conference of African Hinisters of Industry at its fourth session held in Kaduna, Nigeria, in November 1977, in which priority was given to selected basic industries,

1. <u>Connends</u> the progress made in the implementation of the sectoral programmes in building materials and construction, chemicals, and the metals and engineering industries and the leadership provided by the Economic Commission for Africa in that connexion;

2. <u>Urges</u> the Economic Commission for Africa, OAU and UNIDO to continue their efforts in the implementation of these basic industrial programmes, and to intensify their efforts towards obtaining the necessary financing not only for studies and country missions but also for the implementation of the industrial projects:

3. Invites the United Nations Development Programme and other donor agencies to co-operate fully and in the implementation of these programmes by providing material and personnel resources for that purpose.

# 7(V) The African Regional Centre for Engineering Design and Hanufacturing

# The Conference of African Hinisters of Industry,

<u>Guided</u> by resolution 1(IV) adopted by the Conference at its fourth session held at Kaduna, Nigeria, in November 1977 in which it was decided to establish the African Regional Centre for Industrial Design and Manufacturing and the Executive Secretary of ECA was requested to take practical steps to that end,

Noting with satisfaction the financial assistance received from the United Nations Development Programme in the implementation of this project,

Noting with gratification the progress made in the establishment of the Centre,

1. <u>Invites</u> those African Governments who have not yet become members of the Centre to do so;

2. Invites member States to make their contribution to the Centre as soon as possible;

3. <u>Requests</u> the relevant financial institutions to offer their assistance to the Centre to enable it to get off the ground;

4. <u>Requests</u> the United Nations Industrial Development Organisation, the Organization of African Unity and the specialized agencies of the United Nations to co-operate fully in the implementation of this programme;

5. <u>Requests</u> the Executive Secretary of the Economic Commission for Africa to prepare a report on the progress made by the African Regional Centre for Engineering Design and Manufacturing for submission to the Followsup Committee on Industrialization in Africa and thereafter to the Conference.

#### 8(V) African Industrial Development Fund

#### The Conference of African Ministers of Industry,

Recalling resolution 3(IV) adopted by it at its fourth session held at Kaduna in November 1977.

Emphasizing the need for pre-feasibility and feasibility studies based on information emerging from the sectoral development orogrammes and for finding the means to financing and studies,

1. <u>Invites</u> the Economic Commission for Africa, the Organization of African Unity, the United Nations Industrial Development Organization and the African Development Bank to co-operate closely in the design and organization of the African Industrial Development Fund; P/CN.14/IJR/229 Page 23

2. <u>Commends</u> the Executive Secretary of the Economic Commission for Africa, the Secretary-General of the Organization of African Unity, the Executive Director of the United Nations Industrial Development Organization and the President of the African Development Bank on the progress made towards the establishment of the Fum?;

3. <u>Congretulates</u> those Governments which have become members of the Pand:

4. <u>Invites those Governments which are not yet members of the Fund to</u> accede to its Constitution as soon as possible and those Governments which are members to pay their contributions in the mean future:

5. <u>Requests</u> the Executive Secretary of the Economic Commission for Africa to continue to co-operate with the President of the African Development Bank in the implementation of this project, with a view to ensuring the ultimate autonomy of the Fund as foreseen in its Constitution;

6. <u>Invites the Executive Secretary of the Economic Commission for Africa to</u> report to the Follow-up Committee on Industrialization in Africa and thereafter to the Conference of African Ministers of Industry of its next session regarding the progress made in connexion with the African Industrial Development Fund.



