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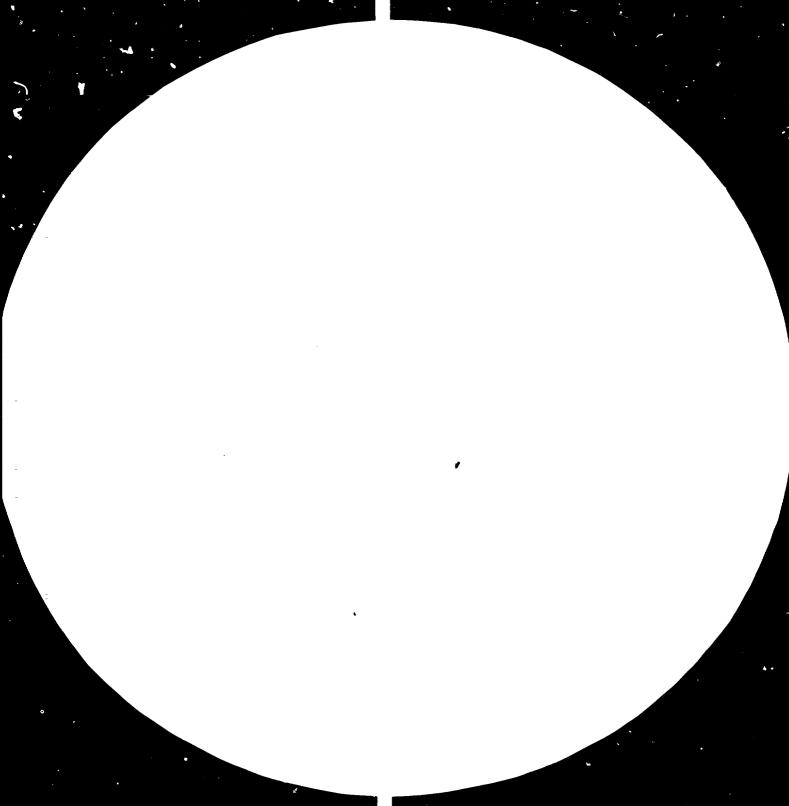
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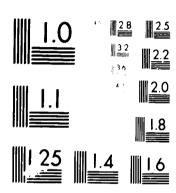
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UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

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ENGLISH

REPORT

ON THE ACTIVITIES OF THE

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (UNIDO)

IN AFRICA

TO THE

35th ORDINARY SESSION

OF THE COUNCIL OF MINISTERS OF THE OAU*

Freetown, Sierra Leone, 18 - 28 June 1980

Prepared by the UNIDO Secretariat

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I Introduction

1. This Note has been prepared in response to resolution CM/Res.672 (MXI) adopted by the Council of Ministers of the CAU at its list session in Khartoum, Sudan, in July 1978 calling for the inclusion of a regular agenda item that would make it possible for the Council to take cognizance of and review the activities of the UN System in Africa. Accordingly the Note presents a brief summary of UNIDO's activities in Africa with particular reference to progress made in developing OAU/UNIDO co-operation.

II Activities of UNIDO in Africa

- 2. The technical co-operation activities of UNIDO in Africa recorded once again a substantial rise during the year. The total value of projects executed in Africa amounted to \$23.5 million in 1979 as compared to \$16.3 million in 1978, i.e. an increase of over 44%. This trend is being maintained during 1980 and UNIDO expects to implement projects worth \$28 million by the end of the year. UNIDO experts were engaged during the year im implementing some 368 projects of varying sizes and complexities identifying and developing industrial projects; advising in industrial planning and programming; providing support to industrial institutions; assisting in the creation of new industrial facilities; resolving managerial and technological problems in production; developing African capabilities for industrial research, acquisition of industrial technology and engineering design; and training Africans for various industrial skills.
- 3. The focus of UNIDO's technical co-operation activities in Africa was on developing mamufacturing facilities utilizing local resources and consequently on agro-industries; industries providing inputs to agriculture such as agricultural machinery, fertilizers and pesticides; building materials; mineral processing industries and pharmaceuticals. Special importance was attached to the training of African industrial specialists and on strengthening the planning, policy-making and institutional machinery for industrialization.
- The four-fold rise in the level of UNIDO's technological co-operation activities in Africa during the last five years is a clear indication of the growing importance being accorded by African countries to the industry sector as a potent instrument for achieving their economic and social goals. To be sure much more could have been done were it not for the limitation of resources because the demand for technical assistance exceeds by far the resources available to UNIDO. The main source of finance for UNIDO's technical co-operation activities is UNDP and it is hoped that the Third Country Programming Cycle would correctly refelect the priority placed by African . countries on industrial development. At the same time hopes placed on the United Nations Industrial Development Find (UNIDF) as a supplementary source of finance for technical assistance activities have yet not materialized. Although there have been steady annual increases in pledges in monetary terms, however there has been no growth in real terms and the Fund has still to attain its planning figure of \$50 million. The moral and material support of the OAU could play a significant role to achieve this objective.

- 5. African countries have also participated in and benefited from UNIDO's special programmes other than technical co-operation activities, namely: the system of consultations; development and transfer of technology; investment co-operative programme; and assistance programme for the least developed of the developing countries. During the year, consultation meetings were held on the petrochemical, agricultural machinery, iron and steel and food processing industries. Preparatory meetings were also organized to prepare for the first consultation meetings on the pharmaceutical and capital goods industries.
- 5. UNIDO's technology programme focusses on implementing a co-operative programme of action on appropriate industrial technology, strengthening the technological capabilities of the developing countries, providing technological advisory services and promoting industrial information activities through the Industrial and Technological Information Bank (INTIB). Several African countries utilized these services during the year. In this connexion, it may be noted that UNIDO has initiatited discussions with the CAU with a view to organizing a symposium on technology transfer for African countries at the time of the Third All-African Trade Fair to be held in Khartoum from 3 to 17 November 1980.
- 7. UNIDO's Investment Co-operative Programme is aimed at promoting private and public investment for industrial projects in the developing countries. The activities carried out under the Programme include investment promotion assistance in the mobilization of financial resources and co-operation with the World Bank Group. During the year several African countries were assisted in locating technical and financial partners in the industrialized countries and some have benefited from the training programme for investment promotion officers conducted yearly in the UNIDO Investment Promotion Office in New-York.
- 8. In pursuance of the recommendations of the Lima Declaration and Plan of Action, UNIDO has placed special emphasis on integrated assistance to the Least Developed Countries and on co-operation among developing countries. During the year the assistance rendered to the LDC's in Africa amounted to \$ 10.2 in which accounts for just over 40% of the total technical assistance delivered to the region. In addition, the LDCs were assisted in mobilizing assistance from other developing countries in the frame of TCDC, through the Ministerial Solidarity Meetings organized by UNIDO. One such meeting was convened on behalf of Tanzania during the year and sother is planned to be neld in November 1980 in Khartoum on behalf of Sudan. UNIDO hopes to further tap the potentials of TCDC in Africa in the field of industry through innovative programmes and projects in co-operation and consultation with OAU and UNDP.

III. The Third General Conference of UNIDO

9. The Third General Conference of UNIDO was held between 21 January and 9 February 1980 at New-Delhi, India. It will be recalled that the Council of Ministers had in the proceding two years expressed on a number of occasions its strong support for the Conference and urged member States of the OAU to prepare themselves fully for the Conference. Accordingly, African countries had defined a common position on the various issues before the Delhi Conference in the framework of the biennial Conference of African Ministers of Industry jointly sponsored by OAU, ECA and UNIDO and participated actively in the Ministerial Meeting of the Group of 77 preparetory to UNIDO III which was held in Havana, Cuba, in December 1979 as well as the Conference itself at New-Delhi. The preparatory work carried out at the regional level enabled African countries to negotiate their needs with clarity and determinetion.

- oy the Third General Conference of UNIDO fully reflects the basic concerns of African countries and recommends a set of coherent measures, policies, instruments and arrangements designed to foster the rapid industrialization of the developing countries and particularly the least developed among them. Among the decisions of the Conference that are of special interest to African countries are the recommendations to create a North-South Global Fund for the Promotion of Industrialization of the Developing countries to provide loans on concessionary terms and a Project Preparation Facility to finance feasibility studies as well as the comprehensive programme of action that was agreed upon to assist the least developed, land-locked and island developing countries. The Conference also adopted a resolution recommending to the General Assembly to declare the period 1980 1989 as the African Industrial Development Decade.
- 11. The New Delhi Declaration and Plan of Action also a signs to UNIDO new and extensive tasks in the areas of technology, energy and mineral processing in addition to a further intensification and expansion of its ongoing activities. The Declaration recommends the placing of the system of consultations on a permanent basis and to conduct these at the regional and inter-regional levels as well; the sectoral disaggregation of the Lima target; and the formulation of measures to increase the share of the developing countries in world trade in industrial products to the target of 30% by the year 2000.
- 12. To enable UNIDO to carry out its expanded and evolving tasks effectively and for it to become a potent instrument for the industrialization of the developing countries, the Conference urged for the speedy ratification of the Constitution of UNIDO so as to convert it into a Specialized Agency; reaffirmed the commitment of member states to the annual funding level of \$50 million for UNIDF; and called upon UNDP to strengthen the SIDFA programme and to increase resources to finance technical assistance projects in the field of industry.
- 13. It will of course be recalled that the New Delhi Declaration and Plan of Action was not adopted by concensus. The negotiating process is, however, a continuing one and it is hoped that the forthcoming special session of the General Assembly would provide a timely opportunity to reach full consensus on the Declaration and Plan of Action. An encouraging step in this direction was undertaken by the Industrial Development Board at its 14th session held in Vienna in May 1980 for it adopted a resolution, by consensus recommending to the General Assembly that the programme budget for UNIDO be in keeping with the programme priorities established by the Industrial Development Board following the Third General Conference, and to ensure the provision of adequate resources to the Organization to enable it to implement its mandate.

IV. Development of OAU/UNIDO Co-operation

14. The year under review was particularly notable for the intensification of OAU/UNIDO co-operation. It started with the signing of a Memorandum of Understanding on Co-operation between UNIDO and OAU in Monrovia, on 20 July 1975. The Memorandum defines a programme of co-operation which includes a tivities dealing in particular, with industrial and technological strategies,

plans and policies; development and transfer of technology; economic and technical co-operation among developing countries; and a more effective participation of OAU member states in UNIDO's policy-making organs, programmes and activities.

- 15. Accordingly UNIDO paid particular attention to keeping OAU informed of programmes and activities of direct interest to the OAU. Close co-operation was maintained with the OAU, as mentioned earlier, in preparatory work at the regional level for the Third General Conference of UNIDO as well as in pursuing follow-up action of the decision of the Conference. In particular the implementation of the African Industrial Development Decade presupposes an intensification of OAU/UNIDO co-operation as the OAU is the organ designated to be the focal point of action. Thus OAU and UNIDO are presently engaged in drawing up a programme of action for the Decade for submission to the forthcoming session of the General Assembly.
- 16. UNIDO also extended its assistance to the OAU in preparatory work for the OAU Economic Summit which was held in Lagos, Nigeria in April 1980. Two headquarters staff members served as consultants in preparing documents for the Summit as well as in servicing the meeting itself. UN:DO is further more prepared to render all possible assistance to the OAU in promoting the implementation of the two final acts of the Economic Summit namely the adoption of the Lagos Plan of Action and the decision to create an African Economic Community by the year 2000.
- 17. Towards these ends and to further intensify OAU/UNIDO co-operation the Executive Director has taken steps to provide assistance to the industrial unit of the OAU Secretariat by making available the services of a UNIDO staff member and eventually also the provision of regional advisory services to the OAU.

V. Conclusion

- 18. UNIDO recently attended a Meeting between the OAU Schretariat and the United Nations System held in Nairobi from 5 to 7 June 1980. The Meeting agreed upon a comprehensive guideline for inter-action between the OAU and the UN system. This and the Memorandum of Understanding referred to earlier are indeed important instruments for festering co-operation. To be sure they formalize the kinds of co-operation that OAU and UNIDO have been pursuing in response to the concerns that they share in carrying out their respective mandates vis-å-vis the African countries.
- 19. The adoption of the Lagos Plan of Action, the New Delhi Declaration and Plan of Action and the African Industrial Development Decade reinforce these common concerns. Their implementation would require the two organizations to widen and deepen their co-operation. In this light it would seem most appropriate to conclude this Note by recalling the words of Mr. Edem Kodjo in his opening address to the Nairobi meeting referred to above: He said: "De même, l'insistance que le Plan d'action de Lagos a mis sur le développement industriel rend évidente la nouvelle dynamique que nous attendons de nos amis de l'ONUDI. Dans le passé bien sûr, l'ONUDI n'a point failli à cette co-opération et nous en sommes bien fiers."



