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Subregional Follow-up Meeting on the Initial Integrated Industrial Promotion Programme within the Framework of the Industrial Development Decade for Africa*

Bujumbura, Burundi, 8 - 10 January 1986

FINAL REPORT** (Meeting on industrial promotion in Central Africa).

^{*} Organized by UNIDO in co-operation with the Organization of African Unity (OAU), Economic Commission for Africa (ECA), the Central African Customs and Economic Union (UDEAC) and the Government of Burundi.

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INTRODUCTION

- 1. The follow-up meeting on the promotion of intra-African industrial co-operation in the Central African subregion within the framework of the Industrial Development Decade for Africa was held at Bujumbara, Burundi, from 8 to 10 January 1986. The meeting was organized by the United Nations Industrial Development Organization (UNIDO), in co-operation with the Organization of African Unity (OAU), the Economic Commission for Africa (ECA), the Customs and Economic Union of Central Africa (UDEAC) and the Government of Burundi.
- 2. The purpose of the meeting was to bring together experts from the Central African subregion to review the implementation of the initial integrated industrial promotion programme drawn up at the previous subregional meeting held at Bangui, Central African Republic, in February 1984. The meeting was to put forward proposals for adjusting the programme to the current needs and priorities of the subregion and to indicate the policy, institutional and other measures essential to the accelerated realization of the programme.

I. PARTICIPATION

3. The meeting was attended by experts from the following countries:
Burundi, Congo, Equatorial Guinea, Gabon, Rwanda and Sao Tomé and Principe.
The representatives of the following organizations also participated: the
Central African State Development Bank (CASDB), the Economic Community of
Central African States (ECCAS), the Economic Community of the Great Lakes
Countries (CEPGL), the Central African Customs and Economic Union (UDEAC), the
Yaoundé-based Multinational Programming and Operational Centre (MULPOC), the
Union of African Railways (UAR) and the Organization of African Unity (OAU).
The list of participants is attached as Annex I.

11. AGENDA ITEM 1: OPENING OF THE MEETING

- The meeting was opened by His Excellency, Mr Albert Muganga, Minister of Commerce and Industry of Burundi, who extended a warm welcome to the participants on behalf of the President of the Republic and Government of Burundi, as well as on his own behalf. He drew the meeting's attention to the predominant role that industry played in socio-economic development. Through industry which could enhance structural change and meet basic needs, it was possible, he added, to contribute to the achievement of the quantitative and qualitative objectives set in the Monrovia Declaration and the Lagos Plan of Action and meet the persistent challenge of underdevelopment in Africa. He pointed to the constraints upon industrial growth in the region. He also drew attention to the particular susceptibility of national economies in the subregion, their balance of payments problems, irregular supplies of raw materials, energy constraints and limited markets which impinged negatively on economies of scale as well as the countries' dependence on technology. African Governments had thus rightly given priority to industrialization in their development endeavours.
- Within the context of the Industrial Development Decade for Africa, actions at the national, subregional and regional levels had been defined with the assistance of the three lead agencies (ECA, OAU and UNIDO). The identification of requirements essential to self-sufficient and self-sustained economic development, careful planning of the industrial sector, the broadening of markets, the development of strategies based on core projects and the creation of appropriate regional mechanisms were some of the means of overcoming development constraints and contributing to the promotion of industry. He recalled the importance of the core subsectors and the support areas. However, given the difficulties of completing the full programme within the five-year implementation phase, the Minister emphasized the need to set priorities and select projects commensurate with local skills and resources. A timetable and strategy for the implementation should be drawn up. Each country should mobilize its resources and the developed countries should also play their part. The Government of Burundi was committed to subregional and international co-operation as success could only be achieved through joint action by the African and international community at large. He wished the participants every success in their deliberations.

- 6. Speaking on behalf of UNIDO, Mr. S. Ndam, Director of the meeting, extended the sincere thanks of Domingo L. Siazon Jr., Director-General of UNIDO, to the Government and people of Burundi as well as the participating organizations. He was most appreciative of the assistance extended to UNIDO by the Industrial Promotion Centre (CPI) and the UNDP office in Bujumbura. He also expressed the particular appreciation of UNIDO for the co-operation that it had enjoyed with ECA, OAU, UDEAC, CEPGL and ECCAS in preparing the programme and meeting. Their involvement was of crucial importance to laying a firm foundation for the accelerated industrialization of the subregion.
- He underscored the importance which UNIDO attached to the promotion of 7. intra-African induscrial co-operation, a cardinal feature of the Lagos Plan of Action, the Final Act of Lagos and the programme for the IDDA. He stressed the responsibility incumbent upon the individual countries and subregional organizations to take appropriate measures to incorporate the objectives of the Decade in their national programmes and to co-ordinate their policies, plans and programmes at the subregional level. The initial subregional programme adopted at Bangui had marked an important step towards the industrial integration of the subregion. The current meeting offered a unique opportunity to review that programme and its component projects. He was confident that the meeting would propose practical policies and operational measures that would bring about the speedy implementation of the revised programme. In that connection, he pointed to the signal role that intergovernmental organizations in the subregion could play in assisting Member States and project sponsors to take follow-up action and in monitoring the implementation of the programme.
- 8. He pledged the continued assistance of the new UNIDO in harmonizing industrial plans and policies, preparing pre-investment studies, promoting investment and strengthening institutional mechanisms. The allocation of funds under the regular budget of UNIDC, specifically in support of its Decade-related activities, would enable the Organization to continue its endeavours. He trusted that the African Governments would reciprocate that support in the policy-making activities of UNIDO. In conclusion, he pointed out that the programme represented a challenge that the countries and intergovernmental organizations in the subregion had to take up individually and collectively. Expressions of political commitment should be translated into concrete, viable and realistic projects.

- 9. Speaking on behalf of the Secretary-General of the OAU, H.E. Mr Ide Oumarou, Mr Getachew Paulos thanked the people and Government of Burundi for their kind hospitality and the excellent facilities placed at the meeting's disposal. That meeting, he pointed out, confirmed the preoccupation of OAU, ECA and UNIDO with finding a common policy and strategy for implementing the programme for the Decade. Africa was faced with the inordinate task of combating poverty and despair and effectively bridging the gap between the lack of know-how and effective utilization of the resources with which the region was richly endowed.
- 10. He underscored that no single country could implement the programme alone. The twin principles of collective self-reliance and self-sustained development underscored the need to co-operate effectively. It was in this context that the subregional programme had been adopted at the meeting in Bangui and subsequently endorsed by the Seventh Conference of African Ministers of Industry and the OAU Summit. The current meeting thus faced the task of reviewing the subregional programme and adjusting it to the needs and priorities of Central Africa. He was confident that the findings of the meeting would be accepted by the forthcoming Conference of African Ministers of Industry as useful and beneficial to the industrial development of the subregion and Africa.
- 11. Speaking on behalf of the Secretary-General of UDEAC, Mr Ambroise Foalem, Mr Thimothee Malendoma, Director, Division of Production and Research, expressed his profound gratitude to the Government and people of Burundi for their courteous and fraternal welcome. He was deeply indebted to the organizers, particularly UNIDO, for having invited UDEAC. Being held at the half-way mark in the Decade, the meeting provided a most propitious opportunity to review the progress achieved in implementing the subregional programme. He looked forward to a fruitful exchange of views and pledged the support of UDEAC in co-ordinating the industrial endeavours of its member countries. He was also conscious of the major contribution that UNIDO had made by providing UDEAC with technical and financial assistance, just as he was conscious of the kind reception accorded to all participants by the people and Government of Burundi.

III. AGENDA ITEM 2: ORGANIZATION OF THE MEETING

Election of Officers

12. Mr Salvator Matata (Burundi) was elected to the office of Chairman, Mr Aloise Nkoma (Gabon) to that of Vice-Chairman and Mr Abdoulahi Mahamat (UDEAC) to that of Rapporteur.

Adoption of the agenda and organization of work

- 13. The agenda (see Annex II) was adopted unanimously. It was also agreed to hold all discussions in plenary.
 - IV. AGENDA ITEM 3: REVIEW OF PROGRESS MADE IN THE IMPLEMENTATION OF THE INTEGRATED INDUSTRIAL PROMOTION PROGRAMME

Presentation of the background document

- 14. In presenting the background paper (ID/WG.456/3), the Director of the meeting (UNIDO) indicated that the paper had been prepared by the secretariat of UNIDO in consultation with the secretariat of UDEAC on the basis of information obtained by a UNIDO consultant from Member States and intergovernmental organizations in the subregion. The paper had been subdivided into five parts. The first chapter presented background information on industrial co-operation in the subregion. The second chapter described the initial integrated programme and projects adopted at the subregional meeting held at Bangui in February 1984. The third chapter, which was to be read in connection with Annex II, assessed the current status of implementation of that programme and identified major constraints. The fourth chapter outlined a revised integrated industrial promotion programme, while a strategy for accelerating the implementation of the revised programme was proposed in the fifth chapter.
- 15. The revised programme presented to the meeting contained 13 core and four support projects extracted from the initial programme. It also included five subsectoral studies to be carried out by individual subregional organizations: those studies would constitute the basis for the elaboration

of subsectoral master plans and contribute to the identification of viable projects. In respect of the strategy to be adopted, emphasis had been placed on the action to be taken at the national, subregional and regional levels as well as by the lead agencies in order to accelerate the implementation of the programme.

General discussion

- 16. After an examination of the first two chapters of the document which were basically historical in treatment, the participants adopted them together with the introduction, incorporating certain changes described below.
- 17. It was pointed out that in the section on the historical background, human resources should be included in the description of the large resource base. Human resources should not be ignored since after 25 years of independence African States had developed training programmes which had led to the availability of an élite trained in new developmental techniques that was often not mobilize! in the service of regional industrialization.
- 18. In the discussion of the second chapter, attention focused on the validity of the priority core subsectors identified at the initial meeting in Bangui. The difficulty of setting priorities within those priorities was recognized as it would be difficult to find priorities applicable to all countries. Given the continuous nature of the industrialization process, countries could determine for themselves the priorities they wished to set, opting, for example, to promote sectors that had linkages with agriculture. In any event, the priorities listed in the second chapter should be presented in as neutral a manner as possible, since the question of setting priorities for the revised programme would be treated more specifically at a later juncture.
- 19. However, it was clearly recognized that as indicated in the strategy for implementation (paragraph 46), the selection process and the establishment of priorities constituted a <u>sine qua non</u>. In so doing, full account should be taken of each country's needs and resources. The identification of those needs and resources might be covered by the subsectoral studies proposed in

the revised programme, further to which such studies would help to confirm the viability of the project proposals. At the same time, it was noted that mechanisms already existed in the subregion through such bodies as UDEAC and CEPGL for the conduct of such studies.

Assessment of the implementation of the projects in the initial integrated industrial promotion programme

20. The meeting studied the current status of the initial programme as described in Annex II of the background document. In so doing, due note was taken of the fact that given the absence of experts from certain countries, information relating to some projects in the background paper could not be confirmed. Amendments were submitted to the secretariat for inclusion in the revised document that would be presented to the African Ministers of Industry at their Eighth Conference to be held in March 1986.

Core projects

Agro- and agro-based industries

- (1) Rehabilitation and extension of the sugar industry, Angola
- 21. Given the absence of the expert from that country, the information contained in the background paper was retained.
- (2) Upgrading of a sugar factory, the Congo
- 22. It was reported that the project basically entailed the rehabilitation of a sugar plant that would also serve such export markets as the EEC. Major investments had already been made and, in the final analysis, the project, which was at an advanced stage, would comprise two sugar mills and a sugar refinery.
- (3) Establishment of a distillery, Burundi
- 23. The project which had advanced rapidly was closely linked with the sugar plant in Mosso that was scheduled to enter into operation in some two years. A feasibility study had been completed and the findings were available, thus indicating the possibility of realization in the short term.

- (4) Integrated cattle product and processing complex, CEPGL
- 24. After conducting a global assessment of the products related to animal husbandry, it had been decided initially to focus efforts on the dairy products aspects of the project. Pre-feasibility studies of the Community dairy products industry were already available and feasibility studies were being conducted. Studies relating to the other aspects would be carried out at a later stage.
 - (5) Integrated development of the fish-processing industry, CEPGL
- 25. It was reported that pre-feasibility studies had been completed. Provided that funds were available in the current financial year, the next stage would be the conduct of a full-scale feasibility study.
- (6) Establishment of an agro-industrial complex processing cassava, Central African Republic
- 26. Although the expert from the Central African Republic was not present, it was reported by the expert from UDEAC that the project was currently at an advanced stage. Not only had all previous feasibility studies been updated, but the area under cultivation had been expanded.
- (7) Establishment of a wood-processing complex, CEPGL
- 27. It was reported that the market survey was currently being updated and the acquisition of land was under negotiation with the host country.

Metallurgical industry

- (8) Integrated development of the aluminium industry, Cameroon
- 28. The meeting was informed that no new studies related to the project had been submitted to UDEAC.
- (9) Expansion of a tin plant, kwanda
- 29. The information in the background document that the existing plant currently operating at 50 per cent installed capacity was confirmed by the

expert from Rwanda. The Government of Rwanda was currently restructuring the mining sector in general. Preliminary studies were being conducted, the results of which would bear implications for the tin plant.

- (10) Rehabilitation of the Maluku steel plant, Zaire
- 30. Given the absence of the expert from Zaire, no further information was available other than that CEPGL was very concerned about the project.

Engineering industry subprogramme

- (11) Manufacture of agricultural equipment and machinery, Rwanda
- 31. The project was part of a CEPGL subregional project that had entered the production phase. It currently produced 1 million hoes a year and the production of small pieces of equipment such as wheelbarrows and ploughs was being studied. In that connection, contacts were being established with various bodies, primarily the Centre for Industrial Development (CDI), so that more detailed studies could be carried out with respect to the expansion of current operations.
- (12) Manufacture of watches and watch components, Central African Republic
- 32. In the absence of the expert from the Central African Republic, no further information was available other than that contained in the background document.

Chemical industry

- (13) Establishment of a petrochemical complex for the manufacture of plastic products, Gabon
- 33. The project, the meeting was informed, dated from the previous decade. It had been designed to ensure the local processing of petroleum and it had been retained in the current five-year development plan. However, given the fact that agriculture and large-scale infrastructure projects, viz. the Trans-Gabon railway, took precedence, implementation of the project could only be envisaged in the long term once the Trans-Gabon railway had been completed.

- (14) Expansion of a petroleum refinery, the Congo
- 34. The expert from the Congo reported that no information was available on the project.
- (15) Production of ammonia fertilizers, CEPGL
- (19) Establishment of a methanol production plant, Zaire
- (20) Pilot project for the production of alcohol, Rwanda
- 35. Projects 15, 19 and 20 were all closely interlinked and also parts of projects 23 and 24. These interrelated projects were a composite part of the methane gas project on Lake Kivu. Following the inditation and evaluation of tenders, contracts had been awarded for the preparation of the requisite feasibility studies which were currently being conducted.
- (16) Establishment of a laboratory for pharmaceutical products, the Central African Republic
- 36. Despite the absence of the expert from the country, the meeting was informed by the expert from UDEAC that some progress had been made.
- (17) Upgrading potash deposits for the manufacture of chemicals, the Congo
- 37. It was reported by the expert from the Congo that the relevant studies had been completed.
- (18) Production of calcium carbide, Rwanda
- 38. The meeting was informed by the expert from Rwanda that production was envisaged at 3,000 tons of calcium carbide per annum for industrial purposes (drilling and cutting of metal, the economic utilization of acetylene as a fuel as well as the production of calcium cyanamide for agricultural applications). Local deposits had been studied and new trials conducted, the results of which were not yet officially available although they would seem to indicate the practicability of continuing the programme and, in turn, of implementing the project.

- (21) Expansion and diversification of production at a glass manufacturing plant, the Congo
- 39. The rehabilitated plant was reported to have taken up operation in July 1985. New equipment was required and a rehabilitation study had been conducted with the assistance of UNIDO within the framework of the IDDA.

Tui ang materials industry

- (22) Expansion of the Loutete cement plant, the Congo
- 40. The information cited in Annex II of the background document was confirmed.
- (23) Expansion of the Mashyuza cement plant, Rwanda
- 41. The project had been designed with a view to integrating an existing plant with new projects such as a cement bagging plant. Locally available energy would be used, thus replacing imported fuels which impinged heavily upon the production price of cement. The peat trials having proven inconclusive, attention was being turned to the utilization of methane gas, for which feasibility studies were being undertaken.
- (24) Reactivation of the Katana cement plant, Zaire
- 42. It was reported that rehabilitation of the plant had been completed. The plant, which at a later juncture could use methane gas from Lake Kivu, would go into operation in 1986.

Support projects

Institutional infrastructure

- (S1) Assistance to the Central African Customs and Economic Union (UDEAC)
- 43. The expert from UDEAC confirmed that assistance from both UNIDO and UNCTAD had proven effective and the UDEAC Council of Reads of State had urged that such assistance should continue.

- (S2) Assistance to the Economic Community of the Great Lakes Countries (CEPGL)
- 44. It was reported that UNIDO had provided the services of a consultant to work on an industrial master plan for the CEPGL countries. The outcome of his findings was eagerly awaited as the master plan was a matter of urgency.
- (S3) Assistance to the African Intellectual Property Organization (AIPO)
- 45. A request for assistance had been submitted to UNIDO and it was currently under consideration.
- (S4) Assistance to the Burundi regional pharmaceutical laboratory
- 46. It was reported by the expert from Burundi that a feasibility study had been carried out in 1984, and a survey of the markets outside the CEPGL countries would soon be completed.

Industrial manpower development

- (S5) Assistance to UDEAC/CEPGL in the development of an industrial training programme, UDEAC/CEPGL
- (S6) Development of industrial consultancy and management capabilities, UDEAC/CEPGL
- 47. In confirming the information contained in Annex 11 of the background document, the expert from UDEAC reported that a meeting organized in co-operation with UNIDO on the financing of small- and medium-scale enterprises had been held in Libreville (Gabon) in September 1985 and proven most successful. Another seminar was planned on the evaluation and management of small- and medium-scale industries. The expert from CEPGL also reported on a seminar on project preparation and evaluation that had been organized with the assistance of UNIDO and the CEPGL countries as well as on the work carried out with ECA on small- and medium-scale projects.
- (S7) Development of local entrepreneurship (Directory of small-scale project profiles), UDEAC/CEPGL
- 48. Following on the seminar in Libreville, an assessment was to be made of small-scale industries in the subregion. It had consequently proven necessary

to draw up a directory of small-scale industries in the UDEAC countries. It was confirmed that the first edition of the FCA directory had just been published while UNIDO had circulated a more general document on launching industries which included small-scale industries.

Other support projects

- (S8) Development of peat resources, CEPGL
- 49. It was reported that nothing had been undertaken to date as funds had not yet been mobilized.
- (S9) CEPGL five-year industrial development plan, CEPGL
- 50. The project described in the profile was a composite part of the support project described in profile S2.
- (S10) Assistance to the CEPGL countries in the manufacture of electrical equipment, CEPGL
- 51. The project had been introduced by Rwanda at the meeting in Bangui since it called for raw material inputs from other countries in the subregion. It would thus be necessary to conduct studies that covered the CEPGL countries involved.
- (S11) Feasibility study on the manufacture of railway equipment in the Central African subregion, UAR
- 52. It was reported by the expert from UAR that the preliminary study undertaken by UNIDO had covered the whole region and was related solely to the production of rails and sleepers within the iron and steel sector. The UAR Congress had also undertaken preparatory work but for want of resources nothing had been initiated. However, a project had been presented to the ECA/UAR technical consultative meeting in Brazzaville in November 1985 to attract potential donors.

- (S12) Development of the production of active ingredients for pesticides and insecticides, CEPGL, Rwanda and Zaire
- 53. It was reported that a study had been conducted with the assistance of UNDP related to rehabilitating an existing production plant while a study was being undertaken on the production of active ingredients for pesticides and insecticides.
- (S13) Assistance to the Central African Republic in the development of an integrated meat-processing plant, Central African Republic and UDEAC
- 54. The meeting was informed by the expert from UDEAC that UNIDO had assisted in completing preliminary studies and market surveys related to animal husbandry products. The project was now entering its second phase and the assistance of UNIDO would be sought.
- 55. The meeting examined the constraints upon implementation of the initial programme briefly described in paragraphs 47-58 in the light of the status of the individual projects and accepted the findings as valid.

V. AGENDA ITEM 4: REVISION OF THE INITIAL INTEGRATED INDUSTRIAL PROMOTION PROGRAMME

56. Upon completion of the review of the current status of the core and support projects in the programme, it was decided after an extensive discussion not to limit the number of projects contained in the initial programme, but rather to set priorities for their implementation. Conscious of the need to achieve results during the remaining years of the Decade and make effective use of limited financial resources, the meeting agreed to classify the projects in three categories: (i) first priority: implementation in the short term (0-5 years); (ii) second priority: implementation in the medium term (5-10 years); and (iii) third priority: implementation in the long term (more than 10 years).

Core projects

First priority: short-term projects

57. The core projects identified for implementation as a first priority in the short term were:

Food-processing subprogramme

- (2) Upgrading of a sugar factory, the Congo
- (3) Establishment of a distillery, Burundi
- (4) Community dairy-products project, CEPGL

Agricultural machinery and equipment subprogramme

(11) Manufacture of agricultural equipment and machinery, Rwanda

Fertilizers and other chemicals subprogramme

(15) Exploitation of methane gas from Lake Kivu, CEPGL (a composite project derived from projects 15, 19 and 20).

Cement subprogramme

- (22) Expansion of the Loutete cement plant, the Congo
- (24) Reactivation of the Katana cement plant, Zaire
- 58. It was agreed to include in the first priority category two additional projects that had previously been included as support projects and a new core project submitted by Burundi:
- (S4) Assistance to the Burundi regional pharmaceutical laboratory
- (S12) Development of the production of active ingredients for pesticides and insecticides, CEPGL, Rwanda and Zaire
- Production of phosphate fertilizers, Burundi

Second priority: medium term projects

59. The core projects identified for implementation as a second priority in the medium-term were:

Food-processing subprogramme

(5) Integrated development of the fish-processing industry, CEPGL

Forest products subprogramme

(7) Establishment of a wood-processing complex, CEPGL

Tin subprogramme

(9) Expansion of a tin plant, Lwanda

Iron and steel subprogramme

(10) Rehabilitation of the Maluku steel plant, Zaire

Other chemicals subprogramme

- (17) Upgrading potash deposits for the manufacture of chemicals, the Congo
- (18) Production of calcium carbide, Rwanda

Non-metallic mineral products

(21) Expansion and diversification of production at a glass manufacturing plant, the Congo

Third priority: long-term projects

60. The core projects identified for implementation as a third priority in the long term were:

Aluminium subprogramme

(8) Integrated development of the aluminium industry, Cameroon

Petrochemicals subprogramme

- (13) Establishment of a petrochemical complex for the manufacture of plastic products, Gabon
- (14) Expansion of a petroleum refinery, the Congo

Cement subprogramme

- (23) Expansion of the Mashyuza cement plant, Rwanda
- 61. In the absence of experts from the countries concerned, no decision was reached on the priority to be accorded to the following core projects:
- (1) Rehabilitation and extension of the sugar industry, Angola
- (6) Establishment of an agro-industrial complex processing cassava, Central African Republic
- (12) Manufacture of watches and watch components, Central African Republic
- (16) Establishment of a laboratory for pharmaceutical products, the Central African Pepublic
- 62. The UNIDO secretariat was requested to contact the countries concerned and solicit their views on the priority to be accorded to the four projects above. Should no information be received by the end of January 1986, it was agreed that the priority accorded to the projects in the initial programme adopted at Bangui should be retained in the revised programme.

Support projects

- 63. It was agreed that all support projects should be included in the short term category. However, it was proposed to re-group the projects so that related projects could be merged. The projects were re-grouped as follows:
- (S1) Assistance to the Central African Customs and Economic Union (UDEAC) (including elements of projects S5, S6 and S7)
- (S2) Assistance to the Economic Community of the Great Lakes Countries (CEPGL) (including elements of projects S5, S6, S7 and S9)
- (S8) Development of peat resources, CEPGL
- (S10) Assistance to the CEPGL countries in the manufacture of electrical equipment, CEPGL

- (S11) Feasibility study on the manufacture of railway equipment in the Central African subregion, UAR
- (S13) Assistance to the Central African Republic in the development of an integrated meat-processing plant, Central African Republic and UDEAC
- 64. It was also agreed to include two additional support projects which had not been included in the initial subregional programme, but were described in the background document:
- Assistance to ECCAS
- Assistance to the Subregional Institute for Appropriate Technology
 (ISTA) in setting up a bank of industrial projects using appropriate technology

In the absence of the expert from the African Intellectual Property Organization (AIPO), no decision was reached on the support project for assistance to that Organization (Profile No. 3). As in the case of the core projects, should no information be received by the UNIDO secretariat by the end of January 1986, the project would be retained in the revised programme for implementation in the short term.

65. The meeting also agreed on the conduct of the subsectoral studies in specific priority subsectors as proposed in paragraph 62 of the background document. The subsectors to be covered were:

Meat and cattle products industry
Aluminium industry
Wood and wood products industry
Iron and steel industry
Petrochemical industry

The meeting also confirmed the approach and rationale outlined in paragraphs 63 and 64 of the background document.

VI. AGENDA ITEM 5: MODALITIES FOR THE IMPLEMENTATION OF THE REVISED PROGRAMME

- 67. The meeting considered the strategy for accelerating the implementation of the revised programme described in Chapter V of the background document. It first discussed changes to the actions proposed at the national and subregional levels.
- 68. It was agreed to shift paragraphs 69, 70, 73, 74 and the first two sub-paragraphs of 75 to the section on action at the national level, since they described essential co-ordinative actions at the national level. At the same time, paragraph 74 and the first two sub-paragraphs of 75 would be rephrased to underscore the importance of maintaining continuity at the national level in respect of projects submitted to subregional organizations. In that connection, reference was also made to the importance of observing the criteria for selecting multinational/subregional industrial core projects outlined in Annex I.
- 69. In respect of the requisite policy actions at the subregional level described in paragraph 68, it was pointed out that the promotion of trade between countries in the subregion inevitably bore implications for the currency arrangements between Member States in the subregion. The meeting thus recommended a convergence in the compensation mechanisms applied by the clearing houses in the subregion, a matter that could be considered by those subregional organizations. It was agreed that an appropriate sentence should be _nserted in paragraph 68.
- 70. In the discussion on the mobilization of financial resources, attention focused on the catalytic role of UNIDO. It was explained that although it disposed of only limited resources itself, UNIDO could help Governments to submit requests to various bilateral and multilateral agencies and thus tap funds available to those agencies. Over and above its investment for and related promotional activities, UNIDO was urged to seek innovative ways and means of involving major financial institutions and assisting countries in the subregion to secure their co-operation.

- 71. Furthermore, it was emphasized that particular consideration should be paid to the fact that the number of least developed and land-locked countries in the subregion was proportionately higher than in any other subregion in Africa. It was agreed to insert an appropriate paragraph to reflect the current situation in the subregion and to underscore the need for UNIDO and other organizations to take adequate measures so as to give priority to the countries in the subregion when allocating resources available within the framework of the IDDA. UNIDO, for example, could endeavour to secure additional funds for projects in the subregion and serious consideration should be given to convening a meeting of potential donors, investors and financing institutions.
- 72. In the discussion of the role of the co-crdinating and other agencies, it was agreed to insert a final sentence in paragraph 82 reading: "In delivering the technical assistance described above, the organizations should make every effort to utilize local expertise and capabilities available in the subregion".
- 73. It was also urged that as part of the system discussed in paragraph 83 for monitoring the implementation of the revised programme, UNIDO should continue to convene regular meetings, for example every two years, of all the Governments, co-ordinating agencies and organizations concerned. However, even though acceptable in principle, attention was drawn to the financial implications of such an approach.
- 74. In the light of the above changes, the meeting approved the modalities put forward for implementing the programme.

VII. AGENDA ITEM 6: ADOPTION OF THE REPORT

75. At the final session, the meeting adopted the report and authorized the secretariat to finalize it in the light of the amendments. Participants were reminded to submit any project profiles outstanding by 31 January 1986, while they were assured that UNIDO would make every effort to have the revised programme issued well in advance of the Eighth Conference of African Ministers of Industry.

VIII. AGENDA ITEM 7: CLOSURE OF THE MEETING

- 76. At the formal closing session, a vote of thanks was proposed by the Vice-Chairman, Mr A. Nkoma, on behalf of the participants to the Government and people of Burundi for their hospitality as well as to the organizers of the meeting. He commended the participants for the determination and efficiency with which they had assessed the programme and achieved their objectives. He looked back with satisfaction at the meeting and with optimism towards the future.
- 77. Speaking on behalf of the subregional organizations represented at the meeting, Mr Jean-Marie Balla-Avolo considered it a singular honour to be given the opportunity to extend his thanks to the Government and people of Burundi. He assured the meeting of the subregional organizations' readiness to play the role they had been assigned in implementing the programme. He reiterated his thanks to the organizers, in particular UNIDO which had contributed to a strengthening of his particular organization, and to the Government and people of Burundi for their hospitality.
- 78. Speaking on behalf of ECA, OAU, UDEAC and UNIDO, the organizers of the meeting, Mr Ndam, the Director of the meeting, expressed his profound gratitude to the people and Government of Burundi. The success of the meeting was due in no small part to the effectiveness of its Chairman and the commitment of the participants, as well as the support extended by all concerned. It had been gratifying to note the progress achieved in the subregion despite the economic constraints and global recession. He was confident that the spirit of co-operation would prevail and that the momentum gained at the meeting would provide an appropriate stimulus to the industrial base of the subregion and thus contribute to economic progress. He pledged the full support of UNIDO within the limitations of its resources towards that endeayour.
- 79. Speaking on behalf of the Minister of Commerce and Industry of Burundi, Mr Salvator Matata, Director-General of Commerce and Industry, paid tribute to the assiduity of the participants who had carefully reviewed the initial integrated industrial promotion programme for the subregion. He spoke of the balance that had been struck between core and support projects and the manner in which the revised programme adopted by the meeting had taken full account of all factors that affected the subregion.

- 80. He welcomed the fact that given the brevity of the implementation phase, the meeting had adopted a strategy that permitted accelerated implementation. Since that strategy implied action on at least two levels, it was important that the participants should do their utmost to ensure that Governments adopted the programme and incorporated the basic elements in their national development plans. That should be matched by efforts at the subregional, regional and international levels, all the more so since the particularly unfavourable geo-economic situation of the subregion called for preferential treatment when resources were being allocated under the programme for the IDDA.
- 81. In conclusion, he pointed out that the meeting had marked an important step as it had permitted a careful evaluation of the programme as well as constituted a preparatory platform for the Eighth Conference of African Ministers of Industry which would most probably be held in Burundi. He expressed his gratitude to UNIDO, OAU and UDEAC, the participants and all those who had assisted in the organization of the meeting for their contribution, and formally declared the meeting closed.

ANNEX I/ANNEXE I

LIST OF PARTICIPANTS/LISTE DES PARTICIPANTS

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Mr P. LILLIE (Secretary of the meeting) Industrial Development Officer Office of the Director-General

ANNEX II

- (1) Opening of the meeting;
- (2) Organization of the meeting:
 - Election of officers;
 - Adoption of the agenda and programme;
 - Organization of work.
- (3) Review of progress made in the implementation of the initial integrated industrial promotion programme;
- (4) Revision of the initial integrated industrial promotion programme;
- (5) Modalities for the implementation of the revised integrated subregional industrial promotion programme;
 - Action by Member States;
 - Action by subregional organizations;
 - Establishment of the Subregional Committee and Subsectoral Committees on the IDDA;
- (6) Adoption of the report and recommendations of the meeting;
- (7) Closure of the meeting.