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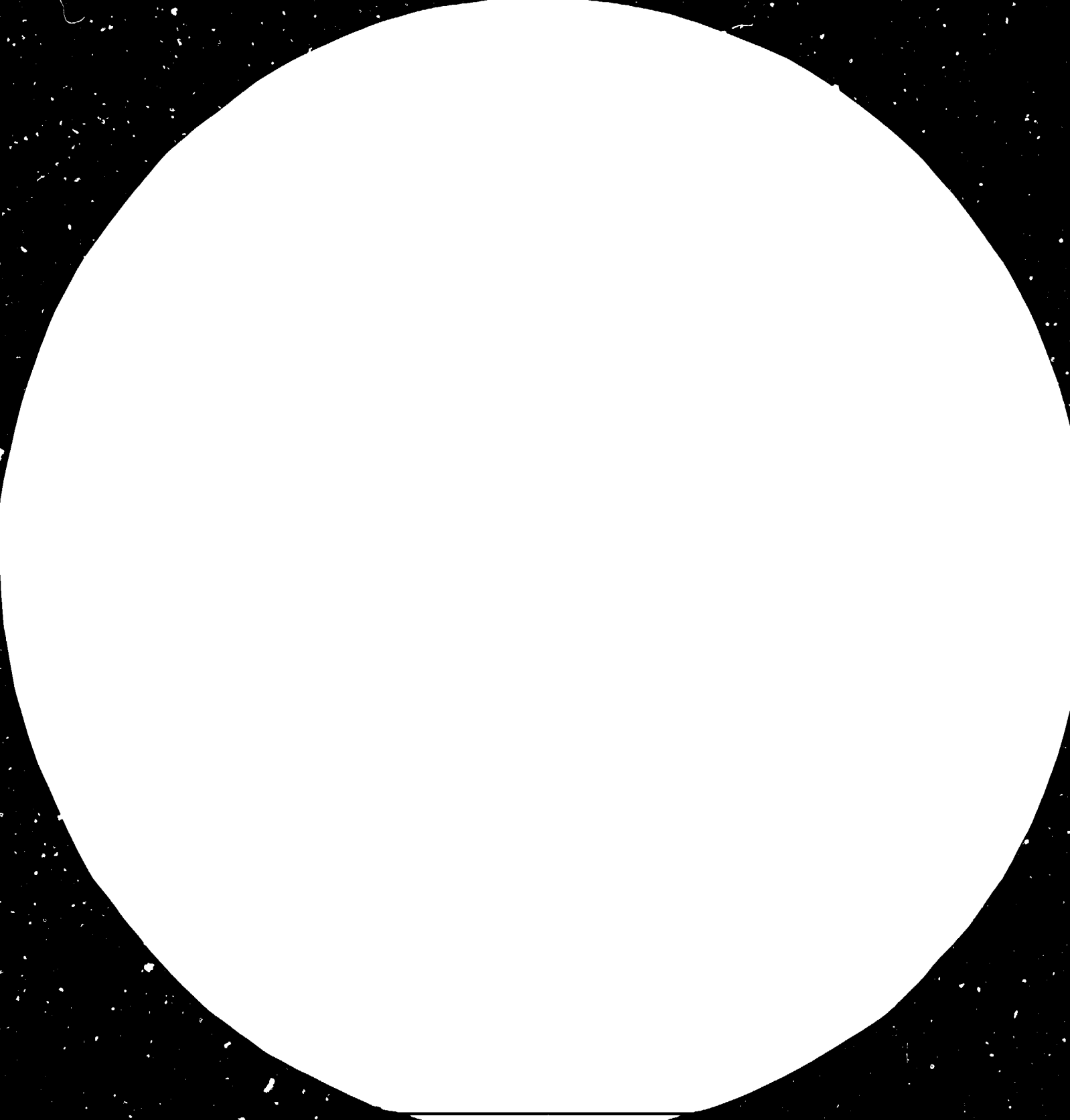
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UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION
Vienna

**A PROGRAMME
FOR THE
INDUSTRIAL DEVELOPMENT
DECADE FOR AFRICA**

**Guidelines for initiating priority actions
at the national and subregional level for the implementation
of the Programme during the preparatory phase
(1982–1984)**

**Prepared jointly by
the Economic Commission for Africa
the Organization of African Unity
and the United Nations Industrial Development Organization**



UNITED NATIONS
New York, 1983

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Foreword

The purpose of these Guidelines is to provide those responsible for economic and industrial planning at the national and subregional level with a clear and concise indication of the steps to be taken during the preparatory phase of the programme for the Industrial Development Decade for Africa. Conceived as a tool to facilitate the preparation of well-formulated industrial development plans and programmes as well as the assessment of the requisite institutional arrangements, the Guidelines should be used in conjunction with A Programme for the Industrial Development Decade for Africa; A framework for the formulation and implementation of programmes at the national, subregional, regional and international levels (ID/287). Both publications were prepared jointly by the Economic Commission for Africa (ECA), the Organization of African Unity (OAU) and the United Nations Industrial Development Organization (UNIDO).

The multi-sectoral, multi-disciplinary approach to industrial planning described in the Guidelines and in ID/287 was adopted by the Sixth Conference of African Ministers of Industry and endorsed by the ECA Conference of Ministers and the Organization of African Unity. It differs in many respects from previous practice and calls for a firm rejection of isolated, piecemeal planning of the past and a clear shift away from over-occupation with foreign exchange problems external to the region. The new approach is also predicated upon a decisive move towards the integrated development of the human resources, institutional mechanisms and technological capabilities required to assess and utilize the natural resource and raw material endowments of the region, expand local markets, enlarge the range of complementarities and strengthen links between industry and other sectors of the economy along the lines proposed in the Lagos Plan of Action for the Implementation of the Monrovia Strategy for the Economic Development of Africa (A/S-11/14, annex I).

After considering the financial, labour, technological, market and other socio-economic aspects, each country is urged to adopt a national strategy based on a set of carefully selected core industries appropriate to its resources and raw materials (in particular, energy), complemented by strategic support projects, while intensifying subregional co-operation in the development of other industries.

Since the programme for the Decade cannot, of itself, be truly comprehensive until action is taken at the national level, the proposals contained in these Guidelines are designed to assist Governments in planning their own programmes for the Decade for implementation at the national and multinational level.

Carefully planned, this strategy of collective self-reliant and self-sustaining development should lead to a mutually reinforcing system of production in the region in keeping with the objectives of the programme for the Industrial Decade for Africa, the Lagos Plan of Action and the Final Act of Lagos (A/S-11/14, annex II). These Guidelines are designed to facilitate that strategic planning process.

INTRODUCTION

The fundamental objective of the Lagos Plan of Action for the Implementation of the Monrovia Strategy for the Economic Development of Africa (A/S-11/14, annex I), adopted by the Heads of State and Government of the Organization of African Unity, (OAU) is to promote self-reliant and self-sustaining integrated economic and social development at the national and multinational levels in order to satisfy the basic needs of the peoples of Africa. The Plan also places emphasis on economic co-operation at the subregional and regional levels as a means of achieving this overall objective. Self-reliance and self-sustainment can be achieved when internal demand stimulates economic growth and indigenous resources - both material and human - are utilized to satisfy basic needs. In order to become self-sustained, the countries of Africa must develop and strengthen their capabilities (skills, know-how, expertise etc.) to carry out the various phases of a project, namely conception, identification, preparation, appraisal, implementation and operation and evaluation of production facilities.

The industrial section of the Lagos Plan of Action evolved from discussions and decisions of the Fourth and Fifth Conferences of African Ministers of Industry, which was sponsored by the Economic Commission for Africa (ECA), OAU and the United Nations Industrial Development Organization (UNIDO). It is designed to develop industries that are required for economic development, especially agricultural production, storage and processing, transport and communications, mineral extraction and processing, and to foster the development and utilization of indigenous energy resources. It therefore emphasizes the development of certain core industries - metallurgical, chemical, engineering etc. - that can provide effective linkages to other sectors of the economy (A/S-11/14, annex I, para. 67).

The Fourth Conference of African Ministers of Industry, in its discussion of industrialization in Africa, stressed the need to examine existing policies and strategies with a view to restructuring them to speed up industrialization in Africa. In its first agreed conclusion, the Conference requested ECA, OAU and UNIDO to convene the Regional Symposium on Industrial Policies and Strategies, which was held at Nairobi in 1979. The report of the Symposium contained recommendations on policies and strategies for developing, among others, appropriate infrastructures, institutions, human and natural resources, links between agriculture and industry, investments, marketing and co-operation.

The Fifth Conference of African Ministers of Industry, which met in Addis Ababa, Ethiopia, in November 1979, endorsed (resolution 4(v)) all recommendations made by the Symposium and requested the Executive Secretary of ECA, the Secretary-General of the OAU and the Executive Director of UNIDO to take appropriate action to have the period 1980-1990 declared the Industrial Development Decade for Africa. The recommendation was supported by the Third General Conference of UNIDO at New Delhi in February 1980 and endorsed by the OAU Economic Summit at Lagos in May 1980. The United Nations General Assembly, in its resolution 35/66B of 5 December 1980, proclaimed the 1980s as the Industrial Development Decade for Africa, thus giving world-wide recognition to the Decade.

In line with the General Assembly resolution, proposals for the formulation and implementation of a programme for the Industrial Development Decade for Africa (1980-1990) were prepared at the Intergovernmental Meeting of Experts on the Programme of the Industrial Development Decade for Africa, held at Addis Ababa from 17-24 October 1981. The proposals, based on the twin principles of self-reliance and self-sustainment, were endorsed by the Sixth Conference of African Ministers of Industry (23-25 November 1981) in resolution 1(vi) and adopted by the Eighth ECA Conference of Ministers (Tripoli, 27-30 April 1982) in resolution 442(xvii) and by the Industrial Development Board of UNIDO (Vienna, May 1982).

The proposals re-emphasized the integrated approach to and interdependence of industrial and allied activities. The proposals also reiterated the importance of developing core industries in the metallurgical, chemical, engineering and other subsectors, which, owing to their backward and forward linkage effects, are capable of creating an industrial base, act as a stimuli for the development of other industries and accelerate socio-economic growth and development. It was recommended that some of the industries - those that are capital intensive, require complex and sophisticated technology, are subject to economies of scale and have high energy requirements - be developed at the multinational or subregional levels. An additional reason for establishing industries at the multinational or subregional level is that, given the socio-economic structures, the levels of development and the inadequate financial and functional human resources, no country in Africa is in the position to implement the entire Programme for the Decade alone.

The successful implementation of the Programme for the Industrial Development Decade for Africa calls for the development of human and technological resources, the ability to mobilize financial resources and the establishment or strengthening of appropriate capacities to service and augment the industrialization process at the national and subregional levels.

Most African countries have national plans and programmes that have been adopted by the legislative organs of their Governments and that currently guide patterns of industrialization. The present Guidelines therefore propose that African Governments should examine and analyse critically their industrialization plans and programmes and assess how the objectives, policies, projects and programmes of the Programme for the Decade could be incorporated into their national and industrial development policies, plans and programmes.

Preparatory activities of the Programme for the Industrial Development Decade for Africa include:

- (a) Surveying existing industries on organization, availability and sources of raw materials, energy, technology, physical and human capital; designing measures to revive ailing industries and to improve efficiency and capacity utilization levels;

(b) Identifying, formulating, promoting and implementing projects and other activities, particularly projects and programmes for core industries, that are based on the objectives of the Programme for the Decade. This will ensure that the path towards self-sustaining and self-reliant industrialization is firmly laid in the African continent;

(c) Assessing and identifying technological and labour capabilities, particularly at middle-management, engineer, technician and artisan levels, that are necessary for industrial and related development. This will reduce the dependence of African countries on foreign expertise;

(d) Assessing training and institutional requirements and developing methods of meeting these requirements;

(e) Mobilizing domestic and external financial resources, with special emphasis where feasible on subregional and regional approaches;

(f) Identifying and creating large integrated multinational industrial complexes for core industries that have been accorded high priority by more than one country and that, because of their characteristics and financial implications, cannot be established by one country alone.

Because of the relatively short time for preparing the present Guidelines, it is unlikely that they will cover all aspects of the implementation of the Programme for the Decade at the national, subregional and regional levels. Countries are therefore requested to examine, individually and collectively, the implications of the various activities of the preparatory phase (1982-1984) of the Programme for the Decade and to consider the proposals to create such mechanisms as operational focal points and multifaceted committees for initiating action and co-ordinating the preparatory activities needed to formulate and implement the Programme.

I. PREPARATORY ACTIVITIES AT THE NATIONAL AND SUBREGIONAL LEVELS

A. The concept of core industries

Both the Lagos Plan of Action and the Programme for the Industrial Development Decade for Africa identified priority industries, including basic industries - metallurgical, engineering and chemical - that provide essential and strategic inputs to other industries and economic activities, particularly food and agriculture, the sector accorded the highest priority. As it is virtually impracticable for any country to develop all priority industries simultaneously, each country or group of countries should select so-called core industries - industries that are "priorities among priorities" and that, because of one or more of the following characteristics, are able to:

(a) Provide wide links with other industries and economic sectors, particularly agriculture, mining, transport, building and construction and energy;

- (b) Contribute to the creation of a self-reliant and self-sustaining industrial base;
- (c) Reduce dependence on external factor inputs;
- (d) Earn foreign exchange for use in developing other sectors.

Two categories of core industries are identified in the present Guidelines: engineering-based and resource-based.

1. Engineering-based core industries

Engineering-based core industries are defined as the minimum set of engineering industries that enable a country or group of countries to meet basic engineering requirements and make optimum use of available resources. Such industries should be able to supply both industry and other priority sectors (agriculture, transport and communications and energy) with equipment, spare parts and components. Engineering-based core industries include the following: foundry, forging, heat-treatment, machine-shop, toolroom, fabrication-shop and metal-coating facilities. In view of the fact that the products of these industries - hand tools, agricultural implements and equipment, transport equipment, other engineering goods and certain parts and components - are utilized in all economic activities, they are vital to achieving the objectives of the Lagos Plan of Action. It should also be noted that the lack of parts and components, owing to insufficient foreign exchange or discontinued manufacturing by suppliers, is becoming the major cause for the low-capacity utilization or closing down of existing plants. Thus, most African countries have no choice but to develop a combination of the above facilities, commensurate with their level of economic development.

2. Resources-based core industries

Resources-based core industries are defined as industries that utilize domestically available resources and constitute a nucleus to provide basic inputs into industry and other priority sectors or that produce goods and services to meet basic needs.

Examples of resources-based core industries include: iron and steel and engineering products from domestic iron ore and coking coal or natural gas; fertilizers and related chemicals from domestic phosphate rock and natural gas; textiles based on domestic cotton; meat, leather and related products from domestic cattle; and pulp and paper and related products from domestic wood. Abundant and reasonably cheap electric power (it is estimated that Africa has about 30 per cent of the world's total hydroelectric power potential) can be used in electric-intensive industries, such as those that produce aluminium, copper, iron (reduction in arc furnace), ferrochromium, ferromanganese, magnesium, zinc, ammonia (from electrolytic hydrogen), calcium carbide, phosphoric acid (electro-thermal), caustic soda/chlorine and sodium and potassium chlorates. Industries based on the utilization of domestic resources, give a country or group of countries clear comparative advantages over other countries within or outside the region. Where countries in the same group have similar or complementary resources, they should join forces to exploit these comparative advantages.

B. Identification of core projects

1. At the national level

At the national level, steps that should be taken to identify and select core industries for the national programme include:

- (a) Reviewing the industrial structure of the country;
- (b) Assessing the resources (raw materials, energy, labour, finance etc.) of the country;
- (c) Identifying the supply of and demand for products that can be manufactured using local resources confirmed in (b) above;
- (d) Reviewing the national industrial plan, if any, with a view to indicating clearly any elements that are inconsistent with the Programme for the Industrial Development Decade for Africa and emphasizing those elements that are in line with the country's core industries;
- (e) Reviewing existing production facilities, particularly those suffering from excess capacities, with a view to determining their compatibility with the objectives and programmes for the Decade and their linkages with related industries, especially core industries;
- (f) Critically analysing existing core industries, or industries that could serve as basis for core industries, and assessing requirements for spare parts and components (for agricultural, transport and the most common industrial activities) that could be manufactured by the engineering core industries;
- (g) Reviewing proposed projects, existing projects and planned expansions of existing production facilities;
- (h) Identifying new projects and modifying existing projects arising from inter- and intra-sectoral inputs and outputs;
- (i) Classifying identified core projects into those that are primarily national and those that need collective action at the sub-regional or multinational level;
- (j) Re-examining the terms and conditions of contracts of foreign investors who, left to themselves, might channel their investments to projects that are inconsistent with, or even detrimental to, the core strategy.

2. At the subregional level

The identification and selection of multinational core projects for a subregional programme would involve the holding of an expert meeting or meetings to consider multinational projects submitted by individual countries as well as by intergovernmental organizations. To be selected, projects should:

- (a) Utilize supplementary inputs from African countries, if all necessary inputs are not available in the host country;
- (b) Provide intermediate inputs for further processing, fabrication or assembling in other African countries;
- (c) Enhance industrial co-operation among African countries;
- (d) Acquire capacity for export outside of the subregion if supported by collective action;
- (e) Have sufficient capacity to meet the market demand of a group of countries or the subregion for 5 to 10 years;
- (f) Be able to produce products that can compete on the world market or with similar products imported from outside the region, by virtue of the economies of scale provided by the multinational dimension;
- (g) More specific criteria for the selection of multinational and subregional industrial core projects are contained in the Annex.

C. Development of minimum capabilities for implementing industrial projects and programmes, especially for core industries

During the preparatory period, two main activities should be carried out: first the incorporation of the Programme for the Decade into national industrial development plans and second the initiation of action for developing national capabilities essential for the implementation of the plans.

1. At the national level

The following activities should be undertaken:

- (a) Formulation of sectoral plans and programmes, including the integrated development and utilization of industrial raw materials and intermediate goods and training of a nucleus of top-level technicians in the industrial branches selected for development;
- (b) Project identification, formulation and implementation:
 - (i) Identification, preparation and appraisal of projects;
 - (ii) Pre-investment studies;
 - (iii) Preparation, evaluation and negotiations of specifications, bids and contracts;
 - (iv) Procurement of equipment, technology, management and consultancy services;
 - (v) Financial planning and management for project implementation:

(c) Development and optimum utilization of the labour force for industrial development, particularly for core industrial projects. Full consideration should be given to women;

(d) Energy planning and development, particularly for core industrial projects;

(e) Mobilization and optimization of both domestic and external financial resources for the implementation of the Programme for the Decade, particularly for core industrial projects;

(f) Marketing studies and developing appropriate measures to promote trade;

(g) Improvement of the flow and interpretation of information on major aspects of industrial activities;

(h) Co-ordination of activities between ministries, agents of production and distribution etc.

The efficiency of the governmental machinery for allocating resources and regulating industrial production should be evaluated. Attention should also centre on the feedback between ministries of industry and ministries and government institutions responsible for such areas as agriculture, trade and commerce, mines and mining, power, transport and communications, monetary and fiscal policies, statistical services and industrial research.

At the sectoral level, it is important that ministries of industry, industrial parastatals and other institutions be organized and staffed in a manner conducive to specialization and complementarity. Ministries of industry should thus promote a harmonious operational relationship with other ministries and governmental organs and encourage mutually supportive and feedback activities.

2. At the subregional level

The development of national capabilities will automatically increase collective capabilities at the subregional level. However, some of the activities designed to develop national capability could be more effective at the subregional level; these include: procuring raw material; producing energy; training technological and managerial manpower; and mobilizing investment funds.

It is recommended that countries of a subregion jointly undertake the following activities in order to develop their capabilities in implementing the Programme for the Decade:

(a) Developing and utilizing labour and energy for industrialization training at the subregional level in sectoral planning, project planning, evaluation of government machinery for industrial development and financial mobilization for industrial development;

(b) Pooling national training facilities, especially for planning and restructuring the educational system, the training of trainers and training in specialized industrial skills;

(c) Organizing subregional workshops and meetings to initiate action towards implementing multinational projects;

(d) Organizing consultation meetings to secure industrial raw materials and energy, expand trade and secure the necessary finance;

(e) Strengthening the existing or establishing new regional and subregional machinery for industrial consultations, negotiations and arbitration, as well as for the exchange of information on technology and related questions, including terms and conditions governing contracts and the joint acquisition of technology;

(f) Promoting subregional associations of producers, distributors and consumers for each major industrial product or groups of products to be exchanged among the countries concerned.

II. INSTITUTIONAL ARRANGEMENTS DURING THE PREPARATORY PHASE

A. Designation of the operational focal point

The Lagos Plan of Action was approved by the African Heads of State and Government because of its fundamental importance in charting out a new course for African development. Therefore, the Programme for the Industrial Development Decade for Africa can be implemented only if African Governments launch major efforts during the preparatory phase (1982-1984). Thus, a review of major industrial development policies at the national level is necessary, and policies for the promotion of subregional industrial co-operation should be adopted. In order to ensure the smooth and authoritative functioning of these multifaceted industrial development policies and programmes, countries should designate an operational focal point for co-ordinating the implementation of the Industrial Development Decade for Africa at the national level. It should be located in the office of the president or prime minister or the ministries of industry and planning, as appropriate, and the location should enable it to easily acquire a multisectoral and multidisciplinary character and to exert considerable co-ordinating influence on policies. Existing committees or institutions might be utilized if they fulfil the role expected of an operational focal point. The operational focal point should develop special relationship with the ministry responsible for industrial development.

The main functions of the operational focal point should be:

(a) To act as secretariat to the National Co-ordinating Committee;

(b) To handle the day-to-day work related to the Decade and liaise with the co-ordinating organizations (ECA, OAU and UNIDO) and bodies that have been set up at the subregional and regional levels to implement the Decade-related programmes.

B. Selection of a local expert and recruitment of international consultants

A local expert should be selected by the Government in co-operation with the Joint ECA/CAU/UNIDO Inter-secretariat Committee. The expert, who should be assigned to the operational focal point, should serve as the immediate link with the Inter-secretariat Committee at the country level during the early stages and should assist the Government in establishing a national co-ordinating committee and in carrying out its activities during the preparatory phase. The expert should be influential, of a high calibre, highly experienced, capable of co-ordinating activities and conversant with the planning and implementation of industrial projects and their linkages with other sectors, especially agriculture, natural resources, transport and energy.

For those activities requiring special expertise, the Inter-secretariat Committee will, on request from the local expert, recruit international consultants; "international consultants" can be experts from the region who are qualified to provide the expertise sought. Consultants will be recruited to undertake studies in areas, identified by the National Co-ordinating Committee, requiring expertise that is not available within the National Co-ordinating Committee itself and that the national experts do not possess. The duties and functions of the international consultants will be based on the specific nature of the request transmitted to the Inter-secretariat Committee through the operational focal point.

C. Organizing the National Co-ordinating Committees^{1/}

The local expert will assist the operational focal point in strengthening or setting up the National Co-ordinating Committee, whose membership should be multisectoral and multidisciplinary in nature. The National Co-ordinating Committee will select its own presiding officer, who will chair the meetings of the Committee and its national workshops. The National Co-ordinating Committee should be composed of high-level representatives from:

(a) The office of the president or prime minister, ministries of industry, planning, agriculture, natural resources, energy, finance, transport and communications, education, trade and commerce and other ministries as appropriate;

(b) Parastatal organizations involved with industrial development, such as those dealing with investment, labour, research and development technology, trade and marketing, energy, water development, food and financial and consultancy services;

(c) Major public and private sector enterprises;

(d) Small-scale industrial units;

(e) Promotional and support organizations;

^{1/} See also: Modalities for the Implementation of the Programme (ECA/IDD.1/INR/WP.4).

(f) Universities, technical colleges and other institutes of higher learning;

(g) Private consultancy organizations;

(h) Major economic, business and political bodies and other relevant bodies (chambers of industry and commerce, labour organizations, manufacturers, associations etc.).

The main functions of the National Co-ordinating Committee are:

(a) To ensure overall direction and guidance for the translation of the framework for the Decade into national and subregional programmes;

(b) To familiarize various government departments, public, semi-public and private firms and people concerned within the country with the purpose, goals, objectives and implications of the Programme for the Decade;

(c) To act as an advisory body and assist the Government in the formulation, implementation and monitoring of the programme for the Industrial Development Decade for Africa at the national level. In this connection, the National Co-ordinating Committee should prepare a paper for approval by the cabinet of the Government, spelling out succinctly the elements of the Programme and what it will take to implement them at the national and multinational levels.

As in the case of the operational focal point, existing committees or institutions might be utilized if they can fulfil the role expected of the National Co-ordinating Committee, thus reducing the proliferation of institutions.

D. Involvement of national experts

National experts should be recruited in each country:

(a) To work with the National Co-ordinating Committee on technical reports related to the realignment of the national industrial development plan;

(b) To provide the Joint ECA/OAU/UNIDO Inter-secretariat Committee with supplementary country information, upon request.

E. Realignment of national industrial development plans and policies

Public support should be sought for national industrial development plans that endeavour to bring about a change in related programmes and launch new initiatives. At the same time, the investment code could be reviewed and incentives granted in keeping with the objectives of the Programme for the Industrial Development Decade for Africa.

F. Popularization of the Industrial Development Decade for Africa

Publicity materials that will be prepared by consultants and made available to African countries should be supplemented by materials specific to the conditions of the country concerned. The National Co-ordinating Committee should be responsible for ensuring that publicity materials from consultants are translated into local languages; the Committee should also prepare publicity material based on the realigned national industrial development plan.

G. Organization of national workshops

With the assistance of the local expert, the National Co-ordinating Committee should organize national workshops and discussions on the issues of the Programme for the Decade, to be incorporated in a realigned national industrial development plan. The members of the National Co-ordinating Committee should be responsible for the design and preparation of discussion papers for the workshops on topics and activities described in these Guidelines. Such papers should: include practical proposals to help the country revive industries and enable it to increase the efficiency and capacity utilization levels of existing industries; review, diagnose and analyse the existing national industrial structure; appraise natural resources; review and identify national and multi-national core projects; assess domestic capacities and capabilities; and cover national issues considered relevant to the realignment of the national industrial development plan. Members of the National Co-ordinating Committee or the national experts, should act as discussion leaders in the respective areas of competence. If deemed advisable, the National Co-ordinating Committee may select an expert from outside its membership to act as discussion leader in a given subject.

In summary, the objectives of the workshops should be:

- (a) In the short term. To realign the national industrial development plan, based on draft proposals prepared by members of the National Co-ordinating Committee and national experts and reviewed and finalized at the workshops and eventually approved by the Government;
- (b) In the long term. To stimulate activities in the industrial and related sectors and to monitor progress.

Participants in the workshops should include representatives from the organizations and institutions similar to those for the National Co-ordinating Committee.

... Strengthening subregional committees

Subregional committees, assisted by the intergovernmental organizations or multinational programming and operational centres and operational focal points concerned and comprising representatives of countries of the subregion, representatives of subregional organizations involved in economic integration as well as representatives of subregional financial and research institutions, should prepare terms of reference and review the work of the intergovernmental experts whose task is to review and

integrate the subregional projects. Subregional committees should be established by the appropriate intergovernmental organizations or by the multinational programming and operational centres in those subregions where such intergovernmental organizations do not exist. The work of the subregional committees should be augmented by subregional workshops that would initiate the integration of multinational projects derived from or identified at the national workshops with those prepared by African intergovernmental organizations, including multinational programming and operational centres. Reports of the subregional workshops should be presented to the meeting of the respective council of ministers for adoption.

I. Involvement of intergovernmental experts

Intergovernmental experts should be commissioned by the subregional committees:

(a) To study the industrialization programme of the intergovernmental organizations involved in economic integration in the subregion;

(b) To visit countries of the subregion to collect information on existing industries and national project proposals for multinational ventures;

(c) To discuss with relevant organizations, including also those involved in subregional labour force development schemes, subregional financial schemes for the development of core industrial projects;

(d) To assist in the development of new projects or the modification of ongoing projects;

(e) To prepare a draft report on the integration of multinational core projects.

If necessary, the subregional committee should request from ECA and UNIDO the services of consultants to assist the intergovernmental experts in preparing subregional core projects.

J. Publicity for the Decade at the subregional level

Publicity campaigns to popularize the Decade within Africa should also be organized at the subregional level, perhaps by linking up the national operational focal points or National Co-ordinating Committees in the subregion. A series of films or radio programmes for wide distribution could be envisaged in an endeavour to increase public awareness of the Programme for the Decade and its potential contribution to the socio-economic betterment of the region.

III. SUMMARY

A. At the national level

Governments should:

- (a) Designate or establish an operational focal point;
- (b) Appoint a local expert;
- (c) Form or strengthen national co-ordinating committees;
- (d) Organize a workshop (including briefing by the Joint ECA/OAU/UNIDO Inter-secretariat Committee) for the operational focal point and National Co-ordinating Committee;
- (e) Select and assign the preparation of discussion papers to national experts by the National Co-ordinating Committee;
- (f) Adopt the realigned national industrial development plans and policies;
- (g) Identify specific needs in labour force planning, utilization and training and institutional development;
- (h) Assist in directing and supervising assistance to be provided by the Inter-secretariat Committee in labour force and institutional development;
- (i) Mobilize financial and other resources to implement the plan.

National Co-ordinating Committees should:

- (a) Hold a series of meetings to discuss the various issues and guide the work of the national experts;
- (b) Organize national workshops to incorporate the Programme for the Decade in the national industrial development plan by considering the reports prepared by the national experts under the guidance and participation of the National Co-ordinating Committee and with the assistance of international experts, if required;

Operational focal points should:

- (a) Act as the secretariat to the National Co-ordinating Committee;
- (b) Publicize the realigned national industrial development plans and policies.

More specific criteria for the selection of national industrial core projects are contained in annex I.

B. At the subregional level

Subregional committees, comprised of representatives from Governments, intergovernmental organizations and subregional or multinational financing and research and development institutions, should be strengthened or established. The subregional committees should:

(a) Appoint a team of intergovernmental experts, with the same representation as for the subregional committee, who shall visit countries of the subregion to collect multinational project ideas;

(b) Organize subregional meetings of the team of intergovernmental experts to review multinational project ideas obtained from their visits and the programmes of intergovernmental organizations and multinational programming and operational centres;

(c) Organize subregional workshops for representatives of intergovernmental organizations, countries of the subregion, the team of the intergovernmental experts, international experts and representatives of ECA, OAU and UNIDO to discuss the subregional projects;

(d) Submit reports of the subregional workshops for approval by the competent legislative authorities:

- (i) West African report to the Council of Ministers of the Economic Community for West African States (ECOWAS);
- (ii) Eastern and southern Africa report to the Council of Ministers of the Lusaka Multinational Programming and Operational Centre;
- (iii) Central African report to the joint Council of Ministers of the Union Douanière et Economique de l'Afrique Centrale (UDEAC) and the Communauté Economique des Pays des Grands Lacs (CEPGL);
- (iv) North African report to the Tangier Multinational Programming and Operational Centre Council of Ministers.

(e) Publicize the reports of the subregional workshops and the Industrial Development Decade for Africa, using materials prepared by consultants and materials that the committee itself has prepared;

(f) Provide assistance to the Inter-secretariat Committee in providing assistance in labour and institution development.

More specific criteria for the selection of multinational and subregional industrial core projects are contained in annex II.

Annex I

CRITERIA FOR SELECTING INDUSTRIAL CORE PROJECTS AT
THE NATIONAL LEVEL

The general criteria for selecting national industrial core projects set out below are intended as a guide for African countries when developing their own criteria.

Resource-based industries

The project:

- (a) Utilizes local natural resources (raw materials and energy) for primary and secondary processing;
- (b) Meets domestic demand or offers export potential;
- (c) Offers clear scope for the integrated development of an industrial branch or subsector;
- (d) Promotes linkage with other national economic activities, possibly also within the subregion;
- (e) Offers scope for development of appropriate technology, including traditional technologies;
- (f) Results in rehabilitation, rationalization, up-grading and diversification of production units, wherever practical;
- (g) Produces intermediates and parts, components and accessories for existing or planned industries;
- (h) Offers opportunities for employment and training of local manpower;
- (i) Replaces, whenever practical, synthetic materials by natural materials, particularly those that are renewable;
- (j) Contributes to the attainment of self-sufficiency in food, in particular, and to rural development in general;
- (k) Provides multiplier effects that promote not only national but also subregional integration.

Engineering-based industries

The project:

- (a) Meets the repair and maintenance requirements of industry and other economic activities;
- (b) Performs primary and secondary metal transformation, such as metal castings, hardware, fixtures and fittings;
- (c) Produces parts and components for the manufacture of equipment and machinery for food and agricultural production and processing, transport and communications, as well as energy generation and transmission;
- (d) Develops basic support facilities such as foundries, forges, heat treatment, machine shop, tool room, metal fabrication and metal casting and product testing;
- (e) Provides linkage to and fills production gaps in the engineering subsector and support services, such as product, machinery and plant design and industrial engineering;
- (f) Manufacturers field-tested designs and prototypes, thereby ensuring the commercialization of research and development results;
- (g) Reduces the country's reliance on external industrial factor inputs (spare parts, components, accessories etc.);
- (h) Contributes to the training of operators.

Annex II

CRITERIA FOR SELECTING MULTINATIONAL AND SUBREGIONAL
INDUSTRIAL CORE PROJECTS

For an industrial project to qualify as a multinational or sub-regional core project, it should meet all of the basic requirements in group I and one or more additional requirements in group II.

I. Basic requirements

The project:

(a) Provides inputs into the priority sectors spelled out in the Lagos Plan of Action and the Final Act of Lagos, i.e. food, transport and communications and energy;

(b) Provides effective integration and linkages with other industrial and economic activities and infrastructures in the subregion;

(c) Utilizes and upgrades, to the maximum extent possible, African natural resources (raw materials and energy) so as to benefit first the subregion, second other African countries and third non-African countries;

(d) Produces intermediates for further processing or fabricating in established or planned industries or engineering goods, particularly those related to food production and processing, building materials, textiles, energy, transport and mining;

(e) Caters, first and foremost, directly or indirectly, to the basic needs of the peoples in the subregion and, if required, other African countries;

(f) Involves (i) economies of scale, (ii) complex technology or upgrading of technology, (iii) large investment and (iv) market(s) beyond the reach of individual countries in the subregion;

(g) Offers scope for co-operation, especially among the African countries, in long-term supply and purchase arrangements for raw materials, intermediates and final products; subcontracting; barter; equity share holding etc.;

(h) Contributes to reducing the region's heavy reliance on external factor inputs.

II. Additional requirements

The project:

(a) Offers actual or potential comparative advantage(s) over a similar project(s) in other groups of countries (African and non-African), particularly in respect of raw materials, energy and the infrastructure required;

(b) Complements a related project(s) or an existing production unit(s) in the subregion;

(c) Earns foreign exchange through the export of its products and includes the upgrading of raw materials;

(d) Results in rehabilitation and rationalization of an existing production unit(s);

(e) Replaces, whenever practical, synthetic materials by natural materials, particularly those that are renewable.

