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PROGRESS REPORT  
ON THE IMPLEMENTATION OF THE LAGOS PLAN OF ACTION  
AND THE FINAL ACT OF LAGOS\*

THE INDUSTRIAL DEVELOPMENT DECADE  
FOR AFRICA (IDDA)

Prepared by  
the UNIDO secretariat

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## I. INTRODUCTION

### Lagos Plan of Action and Final Act of Lagos

1. In adopting the Lagos Plan of Action and the Final Act of Lagos for the economic development of Africa, the Heads of State and Government committed themselves, inter alia, to strengthening sectoral integration at the regional level, particularly in the fields of agriculture, food, transport and communications, industry and energy. The proclamation of the Industrial Development Decade for Africa as a practical measure for putting into operation the chapter on industry in the Lagos Plan of Action reflects this commitment. The region's adherence to the promotion of collective self-reliant and self-sustaining development is to be seen in an industrialization policy that contributes to: satisfaction of the basic needs of the population; generation of employment and modernization of society; exploitation of local natural resources; creation of a basis for assimilating and promoting technological progress; and establishment of a base for developing other economic sectors.

2. In the Lagos Plan of Action and subsequently in the programme for the Decade, quantitative and qualitative targets were set for industrial integration at the subregional and regional levels. A share of at least 1.4 per cent in world industrial production is to be achieved by 1990, while African countries will do everything in their power to achieve self-sufficiency by 1990 in the food, building materials, clothing and energy sectors. Moreover, during the first half of the Decade, the foundation was to be laid for the phased development of the following basic industries essential to the achievement of self-reliance: food and agro-industries, mechanical industries, metallurgical industries, electrical and electronic industries, chemical industries, forestry industries and energy industry.

### Programme for the Decade

3. In translating these aspirations into operational terms, the African Ministers of Industry, at their sixth Conference, adopted a programme for the Decade. The programme covers a broad range of industrial subsectors: agro- and agro-based industries, building materials and construction industries, metallurgical industries, chemical industries (with special emphasis on fertilizers, pharmaceuticals and basic chemicals), engineering industries

(including transport and communications equipment, agricultural machinery, tools and implements) and small-scale industries, as well as such major factor inputs to industrial development as industrial and technological manpower, technology, finance, energy, raw materials and industrial institutional infrastructure. Since no single country is so endowed with all the natural human, financial and other resources required for its industrialization, the programme calls on each country to establish, within a well conceived national industrial development perspective, priority activities relating, in particular, to the rehabilitation or establishment of strategic core industries and critical support areas. Similarly, the programme advocates the strengthening of intra-African industrial co-operation through the identification, preparation and implementation of viable inter-country (subregional and multinational) industrial projects.

4. The programme comprises two indicative planning phases: a preparatory phase (1982-1984) and an implementation phase (1985-1990). During the preparatory phase, regional, subregional and national industrial strategies and programmes were to be realigned or established in accordance with the objectives of the Lagos Plan of Action, while African industrial development was to be re-oriented towards self-reliance and self-sustainment. The implementation phase, which started this year, will, as the name indicates, be concerned with the implementation of industrial projects and other activities defined during the preparatory phase. It will encompass the identification of technical partners and the preparation of feasibility studies, as appropriate, as well as the mobilization of financial resources. At the national level, emphasis will be placed on training and work-force development and the improvement of skills related to factor inputs. These endeavours will be matched by research and development activities, and the strengthening of institutional infrastructure for industry. In all these fields, support from the entire international community, including the United Nations organizations and agencies, will be essential.

## II. IMPLEMENTATION OF THE PROGRAMME

### Action at the national level

5. At the Seventh Conference of African Ministers of Industry held at Addis Ababa (Ethiopia), 26-28 March 1984, a number of countries described the steps they had taken towards implementing the programme for the Decade. It was clear from those statements that several countries had embarked on strengthening existing institutions or establishing national co-ordinating committees and operational focal points for the Decade. Several others had taken steps, including the organization of national workshops on the Decade, to incorporate in national industrial development plans the principles and ideas contained in the programme for the Decade.

6. In some countries, targets had been set for increasing the percentage share of industry in GDP and in others particular emphasis had been given to promoting industry as an important input to agriculture. In a number of others, special measures had been taken to develop small- and medium-scale industries as an input towards the attainment of their overall development objective of self-sufficiency in food production.

7. In addition to the actions reported by member States in the preceding two paragraphs, information from other sources such as the World Bank, the African Development Bank and major multilateral/bilateral financial institutions indicates that more steps are being taken by several African countries to establish industrial production projects. These steps range from the preparation of feasibility and assessment studies for both rehabilitation and new projects to financial negotiations. Steps are also being taken to reinforce national efforts directed toward industrial training, industrial energy and raw material development, the acquisition of technology and the readjustment of relevant national policy frameworks and institutional mechanisms.

8. Furthermore, a wide range of activities were undertaken at the national level with the assistance of UNIDO within the framework of its technical co-operation programme and the programme for the Decade. Countries such as

Angola, Mozambique, Rwanda, Sierra Leone and Zambia were assisted in the rehabilitation, modernization and expansion of food-processing plants, and preparations were made for large-scale rehabilitation programmes for agro-industries in Guinea and Nigeria. In the metallurgical industry sub-sector, a number of countries such as Angola, Ethiopia, Niger, Somalia and the United Republic of Tanzania were assisted in the development of foundries, while in the engineering sector assistance to Angola, Cameroon, Guinea, Madagascar, Mali, Senegal, Somalia and Sao Tome and Principe focused upon the repair and maintenance of industrial equipment as well as the manufacture of spare parts. Furthermore, the development of small-scale industries was promoted with the assistance of UNIDO in a number of countries, such as Ethiopia, Kenya, Niger, Senegal and Zambia, while other countries such as Cameroon, Guinea, Ivory Coast and Mali received assistance in the field of industrial planning.

9. The above endeavours at the national level were complemented by UNIDO assistance directed towards the strengthening of technological capabilities, the development of manpower and managerial skills, as well as industrial policy planning and programming. Together with the mobilization of financial resources, these inputs serve to establish a strong and integrated industrial sector capable of contributing to sustained economic growth.

#### Action at the regional and subregional level

10. The acceleration of the industrial development process was also facilitated by certain initiatives taken at the regional and subregional levels. These range from such steps as the Lusaka Declaration - Southern Africa: toward Economic Liberation - signed on 1 April 1980 by the Heads of State or Government of the member States of the Southern African Development Co-ordination Conference (SADCC) which called for regional co-operation so as to reduce dependence on South Africa and build up equitable regional integration. Stemming therefrom, a SADCC industrial co-ordination unit was established at Dar-es-Salaam: a subregional plan was drawn up emphasizing the need to develop industries to meet the basic needs of the population in respect of food, clothing, housing, health, water supply, power, transport and education. Pledges from donor countries and organizations to industrial projects in the SADCC region currently amount to about \$850 million.

11. The Treaty on the Establishment of the Preferential Trade Area (PTA) in Eastern and Southern African States has also had a comparable impact on industrialization. The protocol on industrial co-operation annexed as an integral part of the treaty provides for the promotion of collective self-reliance, complementary industrial development, the expansion of trade in industrial products and the provision of related training facilities. In that protocol, priority areas for industrial co-operation are identified, the establishment of multinational industrial enterprises outlined and mechanisms for the promotion of industrial development described. Attention is also drawn to the essentiality of industrial manpower development, training, management and consultancy services and to the need for a common approach to industrial research and development, as well as the exchange of industrial information. The Conference of PTA Ministers of Industry, supported by the PTA Committee on Industrial Co-operation (including its Sub-Committees on Iron and Steel and Fertilizers), ensures that industrial momentum is maintained among the member States.

12. Industrial development was also boosted by the decision of the Heads of State and Government of the Economic Community of West African States (ECOWAS) to implement the trade liberalization of industrial products originating from within the community. The move towards industrial development and integration within that subregion is maintained through the policy guidance provided by the ECOWAS Commission on Agriculture and Industry. This is reinforced by the Conference of CEAO Ministers of Industry and the CEAO Committee on Industrial Co-ordination, as well as the industrial activities of other organizations in the subregion, in particular the Mano River Union, the Organization for the Development of the Senegal River (OMVS) and the Liptako-Gourma Development Authority.

13. In the Northern African subregion, the League of Arab States and the Maghreb Permanent Consultative Committee complement the efforts of the Arab Industrial Development Organization (AIDO) foster industrial co-operation among the Arab States. Concerned with promoting, accelerating and co-ordinating the industrial development of the member States (membership covers all North African countries, Mauritania and the Arab countries in the Middle East), providing services which are beyond the capability of national institutions and assisting in creating conditions for the establishment of



joint manufacturing, marketing and investment enterprises, the objectives of AIDO are in line with those of the Decade.

14. The establishment in October 1983 of the Economic Community of Central African States (ECCAS) also reinforced the efforts of the Customs and Economic Union of Central Africa (UDEAC) and the Economic Community of the Great Lakes Countries (CEPGL) to promote the industrial integration of the subregion. Set up with the main objective of promoting self-reliant and self-sustained economic development in the subregion, ECCAS accords high priority to industry as reflected in the treaty and the protocol pertaining to industrial co-operation. The main thrust lies in the establishment of multinational industries based on local resources and other factor inputs, the priority industrial subsectors being basic industries, such as iron and steel, capital goods, and engineering industries as well as the fertilizer, pharmaceutical, pesticide and petrochemical industries. A number of multinational industrial projects have already been identified in the subregion within the framework of such subregional bodies as UDEAC and CEPGL. In the field of industrialization, UDEAC has three objectives: the harmonization of industrial policies, the equitable distribution of joint ventures and the co-ordination of industrial development sectoral plans. These are complemented by the endeavours of CEPGL to meet the needs of the people in various economic sectors, including industry, and to ensure the optimal exploitation of the natural resources available in the member States.

15. These activities were also matched by steps at the regional level by such bodies as the African Regional Centre for Engineering Design and Manufacturing (ARCEDEM), the African Regional Centre for Technology (ARCT), the Arab Organization for Standardization and Metrology (ASMO), the African Regional Organization for Standardization (ARSO), the East and South African Management Institute (ESAMI), the African Institute for Economic Development and Planning (IDEP), the African Institute for Higher Technical Training and Research (AIHTTR), the African Development Bank (ADB) and subregional development banks, whose activities are of particular relevance to the implementation of the programme for the Decade.

16. The Conference of African Ministers of Industry and its Follow-up Committee on Industrialization have continued to play a very effective role in

providing policy guidance and monitoring the implementation of the programme for the Decade. Their recommendations pertaining to the Decade have always been endorsed by the OAU Summit and the General Assembly of the United Nations. Their active participation in the Fourth General Conference of UNIDO and their preparation of the African common position greatly contributed to the positive results achieved at that Conference in respect of the Decade. A major achievement was the decision of the General Assembly of the United Nations, through its resolution 39/233, to make an annual allocation of \$5 million to UNIDO from the regular budget of the United Nations for the Industrial Development Decade for Africa: a decision that stemmed direct from a proposal put forward by the African Ministers of Industry and subsequently endorsed by the Industrial Development Board, the Economic and Social Council and the Fourth General Conference of UNIDO. These resources greatly reinforce the technical assistance activities being carried out by UNIDO in Africa. Financed largely from UNDP and UNIDO resources, the value of the latter rose from \$25.6 million in 1980 to \$30.0 million in 1985 with a total value of about \$148.4 million over the first five years of the Decade.

Action by the lead agencies (ECA, OAU and UNIDO)

17. In the first years of the preparatory phase, ECA, OAU and UNIDO were responsible for preparing the working papers containing proposals for the formulation and implementation of the programme for the Decade. These were taken up by the African Ministers of Industry at their sixth conference in 1981 and, once finalized, they were distributed in English, French and Arabic throughout the region (Document ID/287). The programme was followed by a set of jointly elaborated guidelines for priority actions during the preparatory phase (Document ID/310) which was distributed to countries and organizations in an endeavour to assist them in the effective incorporation of the objectives of the Decade in national development plans. These efforts were flanked by extensive publicity measures to increase general awareness of the Decade, both within the region and without.

18. In the course of the preparatory phase, the lead agencies undertook a series of steps, jointly and individually, to further the objectives of the Decade. In accordance with the decision of the General Assembly of the United Nations, UNIDO, in co-operation with ECA and OAU, organized four subregional

meetings in late 1983 and early 1984 on the promotion of intra-African industrial co-operation within the framework of the Decade. Each of these meetings adopted an initial integrated industrial promotion programme for the respective subregion. As directed by the Conference of African Ministers of Industry when they endorsed these programmes, these programmes have now been synthesized into a single document. The subregional programme for the Eastern and Southern African subregion contained 18 core and 9 support projects; that for the West African subregion 35 core and 17 support projects; that for Central Africa 24 core and 13 support projects; and that for North African 19 core and 8 support projects. The subregional programmes were endorsed by the OAU and subsequently welcomed by the Fourth General Conference of UNIDO, which requested that they be integrated still further.

19. The subregional programme for Eastern and Southern Africa also served to add an operational dimension to the conceptual framework of the protocol on industrial co-operation drawn up for the Preferential Trade Area (PTA) in that subregion. Similarly, ECA in conjunction with OAU continued to assist the Economic Community for Central African States (ECCAS). In that connection, a protocol on industrial co-operation was prepared for consideration at a later date by the Community's policy-making organs. In the course of 1984, assistance was also given by UNIDO to other lead intergovernmental organizations in each of the four subregions - the Economic Community of West African States (ECOWAS), the Customs and Economic Union of Central Africa (UDEAC), the Economic Community of the Great Lakes Countries (CEPGL) and the PTA for Eastern and Southern Africa - in taking follow-up action on their respective subprogrammes. ECA prepared briefs on various multinational projects in the programmes for the West African, and Eastern and Southern African subregions. The briefs contained proposals as to the promotion and implementation of the projects, including descriptions of the role of potential primary and secondary promoters and the types of collaboration envisaged. Steps were taken to improve the information content of the briefs. The preparation of the briefs was supplemented by actions initiated to involve local manufacturing enterprises in the implementation of the core projects identified at the four subregional meetings.

20. Soon after the proclamation of the Decade in 1980, UNIDO launched a programme of technical assistance to the OAU secretariat. The assistance

provided contributed to revitalizing, re-orienting and strengthening OAU activities related to industry and technology. UNIDO subsequently provided full-scale headquarters briefing and induction to officials from OAU, on the basis of which the strategy, approach and priorities for future joint OAU/UNIDO programmes and projects will be defined. UNIDO also undertook to strengthen the capacity of the OAU secretariat and its regional offices by involving their staff in UNIDO activities related to such areas as the evaluation, management and monitoring of projects, the conduct of industrial studies, the preparation of industrial master plans, and investment promotion and solidarity meetings.

21. The promotion and implementation of the programme for the Decade is also facilitated by the presence of 12 Senior Industrial Development Field Advisers (SIDFAs) and 13 Junior Professional Officers (JPOs) in Africa covering 39 countries. The SIDFA in Addis Ababa also acts as the special representative of the Executive Director of UNIDO to the ECA. Co-operation in the implementation of the programme for the Decade was also greatly facilitated by the close relationship ensured through the Joint ECA/UNIDO Industry Division, the regional advisers and UNIDO staff attached to that Division.

22. In response to the request of the Seventh Conference of African Ministers of Industry to the Executive Director, the UNIDO secretariat also prepared and presented to the Fourth General Conference of UNIDO a technical co-operation programme of assistance to African countries and inter-governmental organizations in the implementation of the programme for the Decade. The programme comprised projects with a total value of some \$210 million, which were grouped according to core industrial sub-sectors and major factor inputs and related areas spelled out in the programme for the Decade. They ranged from the formulation and/or adjustment of industrial strategies, policies and plans through the rehabilitation of existing plants and/or development of core industries, to the provision of essential factor inputs such as manpower, energy, technology and financial resources.

23. The Fourth General Conference expressed support for the proposed programme of assistance and invited donor countries and organizations to incorporate it in their policies and co-operation programmes. Since the successful mobilization of resources for the implementation of the programme

depended upon the support given by African countries and organizations to the individual projects, appropriate steps were taken to secure that support. At the same time, every care was taken to reflect in both the proposed UNIDO and ECA programmes of work for 1986-1987 and the programme budgets for the same biennium the emphasis set in the various resolutions pertaining to the Decade. The annual work programme of the OAU will also reflect those emphases.

24. The decisions adopted at the twentieth ordinary session of the Assembly of the OAU Heads of State and Government, held at Addis Ababa in November 1984, will have a major impact on the activities of the three secretariats which maintain close contact so as to ensure optimal co-ordination of their programme. This co-operation was reflected in particular in the common position adopted by the African countries at the Seventh Conference of African Ministers of Industry and presented to the Fourth General Conference (see paragraph 16). In that common position to which OAU, ECA and UNIDO also contributed, it was recognized that African development was hampered primarily by the lack of skills and capabilities needed to launch all the activities that would lead to economic self-reliance and self-sustainment. It was also recognized that effective intersectoral linkage was essential to the successful implementation of the programme for the Decade with the development of the industrial sector being supported by comparable developments in other sectors. The African common position also drew attention to the need for the international community to match the African countries' endeavours to secure all essential funds for the launching of new projects. Such initiatives should include new financial mechanisms to obtain financing on favourable terms for industrial development programmes in Africa.

25. These findings together with the resolution adopted by the Fourth General Conference of UNIDO set the perspective for the three secretariats' activities. At a meeting of the Joint Committee of the OAU, ECA and UNIDO secretariats held at Vienna, 12-14 December 1984, discussions centred on such items as essential follow-up activities in the light of the decisions taken at the major conferences during 1984 as well as the openings provided by the new initiatives, such as the General Assembly allocation of funds. Discussion also focused on co-operation with such bodies as the African Development Bank, the Commonwealth Secretariat, the Arab Bank for Economic Development in Africa and the Organization of the Islamic Conference (OIC).

#### IV. MEASURES TO ACCELERATE ATTAINMENT OF THE OBJECTIVES OF THE DECADE

26. Despite the success reported by the countries, certain problems and constraints were encountered during the preparatory phase. Of those, the most pressing were the inadequacy of financial resources and the critical shortage of skilled manpower. Other problems included the underutilization of installed capacity for want of spare parts and other shortcomings, the lack of modern technology and the continued external dependence on most industrial inputs. Thus, much has to be done, if the objectives of the Decade and the targets set in the programme are to be attained.

27. As is well known, the African region depends on the export of a few primary commodities whose world market prices have declined significantly, and on imported manufactures whose prices continue to rise, thus creating adverse terms of trade. This has aggravated the region's onerous debt burden. In the final analysis, a lasting solution to the economic crisis of the region can only stem from industrialization. The modernization of agriculture, a prerequisite for the attainment of self-sufficiency in food production, hinges upon industry which should produce such inputs as fertilizers and agricultural machinery and equipment <sup>1/</sup>, as well as inputs to other key sectors of the economy such as transport, energy and communications. Not only are light industries needed, but also such core industries as the chemical, metallurgical, engineering, building materials and electrical industries. This pattern of industrialization requires the development of human resources, including technological and scientific capabilities.

28. A new mood of realism is essential to ensuring that industries meet basic needs, are suited to conditions prevailing in each country and are competitive. Given that the main responsibility for the achievement of such objectives lies with the countries themselves, many Governments have to

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<sup>1/</sup> It is estimated that at least 50 per cent of direct inputs to agriculture (fertilizers and pesticides, agricultural machinery, implements and tools, irrigation equipment and pipes) and about another 25 per cent of indirect inputs (energy, transport and communications, health and educational services, and housing) come from industry.

intensify their efforts to accelerate the industrialization of their countries in accord with the objectives of the Decade and the activities identified for the implementation phase of the programme.

Short-term measures

29. In the years remaining in the Decade, industrial activities should be twofold: short-term and medium-/long-term measures. Although not readily apparent as major remedial factors with an immediate impact, industrial projects in the first category can and should be designed to contribute to the alleviation of the current emergency. Consequently, countries should direct short-term programmes and projects towards the following main areas:

- (a) Production, distribution and preservation of food;
- (b) Development of health care industries;
- (c) Improvement of transportation and communications;
- (d) Alleviation of the effects of drought;
- (e) Rehabilitation of and improved efficiency in existing plants;
- (f) Training in critical skills.

30. Short-term measures in the first area should include such activities as the bulk importation, blending, packaging and distribution of fertilizers and pesticides; the construction of simple silos, especially for rural communities; and the development of mobile food-processing units. While some projects might be concerned with the production of simple packaging materials from local raw materials, others might entail biotechnology. A similarly broad spectrum should apply to health care projects: on the one hand the mass production of hospital beds, blankets, linen and dressings, on the other the local production of intravenous fluids and oral rehydration salts, complemented by the bulk importation, packaging and distribution of medicines.

31. Emergency relief calls for effective transport systems which in turn are dependent on effective maintenance and repair. Thus, it follows that effective assistance given in strengthening or establishing national repair and maintenance services as well as upgrading local skills should bear positive fruit. Similarly, the experience UNIDO has gained in applying plastics to agriculture, irrigation and water management as well as in drawing

upon locally available raw materials such as bentonite to improve the moisture-retention capacity of soil can be put to effective use in combating the effects of drought.

32. Although in the long term new industrial capacities will have to be established throughout the region, rehabilitating local plants and improving production efficiencies offer two distinct and immediate advantages. Not only can industrial production be markedly increased in the short term but potential investors can be re-assured of the viability of industry in Africa. This does not, however, minimize the enormity of the problem since capacity underutilization in medium-sized or large-scale plants can be due either to economic inviability or to operational and other shortcomings. It follows that only plants in the latter category should be helped. Any rehabilitation exercise thus has to be preceded by a careful assessment of all idle or underutilized capacities in order to be able to draw up a carefully defined programme and schedule of inputs deserving success and capable of attracting the necessary financial investment. It also follows that decision-makers in the region will have to examine each case very carefully and decide whether to enter into re-negotiating loans or (in some cases) writing them off completely.

33. Of all the short-term measures to be taken by countries in the region, none is more important than those related to training. Acquisition of critical skills is a prerequisite for the effective management both of the industrial sector in general and of industrial plants and enterprises in particular. The skills required relate not only to general and specific industrial training that could be provided through the strengthening of selected centres of excellence, but they would also relate to skills needed by policy-makers, including possibly a programme related to emergency planning. Moreover, a programme for the training of trainers should be an area of emphasis.

#### Medium- and long-term measures

34. As for the medium- and long-term measures, these have been elaborated upon in the programme for the Decade. That notwithstanding, it would seem pertinent to focus attention upon:



- (a) Elaboration of industrialization strategies, policies and plans;
- (b) Establishment of industrial institutional machinery;
- (c) Development of industrial manpower and technological capabilities; and
- (d) Promotion of intra-African industrial co-operation.

35. In respect of industrialization strategies, policies and plans, each country should first set a clearly defined industrial development perspective before developing national industrial strategies, policies and plans. In developing the latter, care should be taken to: protect local industries; devise investment codes conducive to promoting local enterprises and small-scale industries; establish appropriate financial and fiscal facilities; promote the development, acquisition and transfer of technology; ensure effective manpower development; and provide for the effective utilization of industrial raw materials, including energy.

36. As indicated in the programme for the Decade, the most basic institutional machinery comprises the co-ordinating committees and operational focal points at the national and subregional levels. Their establishment, however, should be followed by the introduction of institutions relating to: industrial training; development, acquisition, adaptation and regulation of technology; standardization and quality control; extension services to small-scale industries; industrial consultancy and information; and industrial financing and investment promotion.

37. Given the magnitude of the industrial skills required in Africa in both urban and rural areas, a comprehensive programme will be needed for the accelerated development of manpower and technological capabilities, including the use of modern micro-electronic technologies (e.g. computers) for human resources development. In this regard, and similar to the initial steps taken in the short-term, special programmes will have to be developed for the training of critical skills, especially in industrial management and entrepreneurship, industrial planning, project preparation and evaluation, the training of trainers and the development of centres of excellence.

38. Intra-African industrial co-operation is the key feature of the initial integrated industrial promotion programmes developed at the subregional level as a result of the four joint ECA/OAU/UNIDO subregional meetings (see paragraphs 18 - 19 above). Member States should thus take all necessary steps to implement the programmes effectively in harmony with similar initiatives being taken by a number of subregional organizations. To this end, Member States should enter into serious negotiations on well-defined inter-country or subregional projects.

39. At the same time, in keeping with the emphasis set in the Lagos Plan of Action, attention should be paid to the development of core industrial branches, in particular the metallurgical, engineering, chemical, building materials, capital goods and pharmaceutical industries. Attention should also be devoted to industries processing locally available raw materials and drawing on local energy resources.

40. A particular area of attention should be the long-term development of small-scale industries. Whereas most African countries have focused upon small-scale industries producing consumer goods, few have devoted attention to those small-scale industries that feed medium-sized and large-scale industries. The latter category of small-scale industries is highly developed in industrialized countries since it ensures the efficient operation of large-scale enterprises. Their establishment in Africa would contribute to an effective industrial base, comprising such facilities as foundries, forges and mechanical workshops, which would not only manufacture spare parts for equipment used in the region, but also provide for the eventual local manufacture and repair of electric motors, diesel and automotive engines. This move would have to be matched by a parallel development of industrial manpower.

#### V. THE ROLE OF UNIDO

41. Over the years, UNIDO has accumulated considerable experience in providing technical assistance to the developing countries across the entire spectrum of the industrialization process ranging from strategy and policy formulation and planning, including institutional machinery, through project identification, preparation, evaluation and negotiation, to project

implementation, including factory establishment, management and rehabilitation. It has also developed an active technical co-operation programme, financed largely from UNDP resources, with several African countries and subregional organizations. This co-operation is being intensified within the framework of the modest additional resources being mobilized for the implementation of the programme for the Decade.

42. The current efforts on the part of the OAU provide UNIDO with even greater scope for intensified co-operation not only with the OAU secretariat, member States and African intergovernmental organizations, but also with donor countries and other international organizations in accelerating the pace of industrialization in Africa. Within the limitation of its resources, UNIDO can thus make a significant contribution to the implementation of the programme for the Decade.

43. With regard to the emergency programme to arrest the African economic crisis, the experience of UNIDO could be readily put at the disposal of African countries and organizations so as to assist in the development and implementation of relevant short-term measures, including those identified in this document. For example, UNIDO could provide, upon request, valuable assistance in food processing and preservation, the development of health-care industries, establishment of repair and maintenance facilities and services, the rehabilitation of existing industries and the training of critical skills.

44. In connection with medium- and long-term measures, the co-operative programmes already initiated at the national and subregional level, within the framework of the Decade, could be intensified. Such assistance would encompass the entire industrialization process including: industrial policy and strategy formulation and planning; strengthening of existing and establishment of new industrial institutions; development of industrial manpower and technological capabilities; development and utilization of natural resources, including energy technologies and equipment; industrial and investment promotion; and project identification, preparation, evaluation and negotiation, with particular reference to turn-key, investment or technology contracts. The UNIDO secretariat technical co-operation programme for the implementation phase of the Decade presented to the Fourth General Conference of UNIDO in Vienna in August 1984 constitutes a useful framework for such assistance.

45. In addition to the above, other UNIDO activities could make significant contributions to the efforts of the African countries and intergovernmental organizations. These include activities related to the promotion of industrial co-operation among developing countries including the organization of Solidarity Meetings, the mobilization of the vast experience available in non-governmental organizations, the conduct of industrial studies at both the global, sectoral, regional or country levels, and investment promotion, including the organization of investment forums and promotional meetings, the System of Consultations, as well as the provision of technological advisory services and information exchange systems.

46. The volume, scope and magnitude of the UNIDO contribution will, however, depend upon the resources available. African countries and organizations will thus have to ensure that industrial projects are accorded priority in their multilateral, bilateral and other technical co-operation programmes. UNIDO stands ready to participate in the execution of industrial projects financed by such financial institutions as the World Bank, the African Development Bank, the Arab Bank for Economic Development in Africa, OPEC Fund, subregional development banks or under such special funds as that recently established by the OAU for assistance to those countries seriously affected by drought and famine.