



**Strengthening Productive Capacity for Poverty Reduction
within the Framework of NEPAD**

Joint statement by

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**On the occasion of the
Africa Industrialization Day**

20 November 2004

Your Excellencies,
Ladies and Gentlemen,

Today, we acknowledge “The Africa Industrialization Day” as a special day for the industrial development efforts of the African continent. This is a yearly occasion, when the African leaders, the African Private Sector, the civil society and the UN System, take stock of the progress achieved in enhancing Africa’s industrialization process.

Most importantly the occasion provides the opportunity for the African continent to consider its challenges in its pursuit of sustainable industrial development and the eradication of poverty through enhanced levels of productivity, productive capacity and job creation for social advancement.

The UNIDO Industrial Development Report 2004 “Industrialization, Environment and the Millennium Development Goals in Sub-Saharan Africa: The New Frontier in the fight against Poverty” has revealed that in Africa, GDP per person would have to grow on average more than 4% per annum until 2015 in order to achieve the income poverty goal, which achievement depends more on manufacturing, trade and development.

It is therefore, befitting that the theme for this year is “*Strengthening Productive Capacity for Poverty Reduction within the Framework of NEPAD*”. This theme that resonates with provisions of such initiatives as:

- The Millennium Development Goals in particular: (i) halving extreme poverty and hunger, (ii) achieving gender equity, (iii) halving the proportion of people without access to safe drinking water and ensuring environmental sustainability, (iv) developing a global partnership for development, with targets for aid, trade and debt relief.
- The New Partnership for Africa’s Development, the African Union’s socio- economic programme which represents a unique commitment by Africans to lead decisively the social, economic and political transformation of the continent in partnership with the international community; and
- The African Productive Capacity Initiative (APCI), the result of close consultations with the Africa’s regions, direct stakeholders in the Initiative. The APCI is a comprehensive framework aimed at developing industrial capacities through regional integration.

In July 2004, the APCI, jointly promoted by the Conference of African Ministers of Industry (CAMI) and UNIDO, was adopted by the African Union Heads of States summit as the NEPAD component on sustainable industrial development.

Ladies and Gentlemen,

The challenges faced by Africa in transforming its economy in order to achieve on a sustainable basis 7% of economic growth as well as improving its value addition in the share of the Gross Domestic Product of its economy through manufactured products are enormous. Success can however be achieved if collective actions and strong commitments from all development stakeholders are mobilized.

In this regard, and in order to reduce poverty, concrete action must be taken to operationalise the APCI, strengthen productive capacity and improve competitiveness. The Sao Paulo Consensus indeed emphasizes the need for productive capacity building without which progress cannot be achieved. Africa needs to embark seriously upon transforming itself from a producer of primary goods into a producer of semi-processed, processed and therefore valued-added goods for domestic, regional and global markets. This however must be done in parallel with continued pressure on developed countries to eliminate subsidies and remove trade barriers to market access.

The Africa Industrialization Day represents a yearly occasion to address the progress made towards sustainable industrial development on the continent.

The on-going transformation processes of Africa through the framework of NEPAD needs a strong, collective and coherent commitment from all partners.

This is why, we are taking the opportunity of the celebration of the Africa Industrialization Day to launch an appeal to all stakeholders, governments, international institutions, private sector, and partners to fulfil their commitments in the implementation of the African Productive Capacity Initiative (APCI).

Excellencies, Ladies and Gentlemen,

Allow us to conclude these few remarks by thanking you all for honouring this occasion with your presence, which is a clear reflection of your support for Africa's Industrial development efforts.