

17th Meeting of the Conference of  
African Ministers of Industry  
(CAMI-17)

Cairo, Egypt  
21 June 2006

**REPORT**



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

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## LIST OF ACRONYMS

ABR	African Business Roundtable
AfDB	African Development Bank
APCI	African Productive Capacity Initiative
ARSO	African Regional Standards Organisation
AU	African Union
CAMI	Conference of African Ministers of Industry
CDE	Centre for Development of Enterprises
COMESA	Common Market for Eastern and Southern Africa
ECA	UN Economic Commission for Africa
ECOWAS	Economic Community of West African States,
EOS	Egyptian Quality and Standardization Organization
EU	European Union
FAO	Food and Agricultural Organization
IAF	International Accreditation Federation
IF	Integrated Framework
ILAC	International Laboratory Accreditation Council
ISO	International Standards Organisation
ITC	International Trade Centre
LDC	Least developed country
MDG	Millennium Development Goal
NEPAD	New Partnership for Africa's Development
OECD	Organization for Economic Cooperation and Development
OIML	International Organization for Legal Metrology
R&D	Research and development
REC	Regional economic community
SADC	Southern African Development Community
SME	Small and medium-size enterprise
SPS	Sanitary and phyto-sanitary measures
TBT	Technical barriers to trade
TCB	Trade capacity building
TICAD	Tokyo International Conference on African Development
UEMOA	West Africa Economic and Monetary Union
UNECA	UN Economic Commission for Africa
UNIDO	UN Industrial Development Organization
UNDP	United Nations Development Programme
WTO	World Trade Organization

## **I. INTRODUCTION**

### **a) Background To The Meeting**

1. The 17<sup>th</sup> Meeting of the Conference of African Ministers (CAMI-17) was held in Cairo, Egypt, on 21 June, 2006 at the Conrad Hotel. It was jointly organised by the United Nations Industrial Development Organisation (UNIDO), the United Nations Economic Commission for Africa (UNECA) and the African Union (AU) in collaboration with the Government of Egypt.

2. CAMI remains the highest organ of African leaders where issues of industrial development are discussed. It was instituted in 1971 and holds its meetings once every two years. The purpose of holding CAMI-17 was, as usual, to review progress made towards the industrialisation of the African countries and to examine ways and means of harmonising industrial policies and strategies in the region in order to achieve accelerated development. However, a High-Level Segment of Panel Discussions was integrated into the Ministerial Conference. The introduction of this High-Level Segment was intended to make CAMI more dynamic and result-oriented through a substantial exchange of ideas.

3. Two days prior to the conference, on 19 – 20 June, the Intergovernmental Committee of Experts of the Whole on Industrialization in Africa had preparatory meetings on the conference theme “Productive Capacity Building – Africa’s Challenge to Global Trade”. In addition, the experts reviewed progress made with the implementation of the African Productive Capacity Building Initiative (APCI), which was adopted by the AU in July 2004 as the industrial component of the New Partnership for Africa's Development (NEPAD). The experts also examined strategies for the mobilisation of funds to support APCI-related programmes. The report of these meetings is attached as Annex II.

4. Representatives from the following member states attended the Conference: Angola, Algeria, Botswana, Benin, Burkina Faso, Burundi, Cameroon, Cape Verde, Central Africa Republic, Chad, Comoros, the Democratic Republic of Congo, Congo Republic, Côte d’Ivoire, Egypt, Eritrea, Ethiopia, Gabon, Guinea, Guinea Bissau, Guinea Equatorial, Ghana, Kenya, Lesotho, Liberia, Libya Arab Jamahiriya, Madagascar Mauritius, Mali, Malawi, Mauritania, Mozambique, Morocco, Namibia, Nigeria, Niger, Rwanda, Senegal, Seychelles, Sierra Leone, South Africa, Sudan, Swaziland, the United Republic of Tanzania, Togo, Tunisia, Uganda, Zambia, and Zimbabwe.

5. The following regional, sub-regional and inter-governmental organizations also attended: the African Union (AU), the Africa Regional Standards Organisation (ARSO), the Africa Business Roundtable (ABR), the Africa Development Bank (AfDB), the UN Economic Commission for Africa (UNECA), the Economic Community of West African States (ECOWAS), the Common Market for Eastern and Southern Africa (COMESA), the Centre for Development of Enterprises (CDE), the Food and Agricultural Organisation (FAO), the Fate Foundation, the Southern African Development Community (SADC), the International Standards Organisation (ISO), the International Trade Centre (ITC), the United Nations Industrial Development Organisation (UNIDO), the United Nations Development Programme (UNDP). The Tokyo International Conference on African Development (TICAD), the West Africa Economic and Monetary Union (UEMOA), and the World Trade Organisation (WTO). A full list of participants is provided in Annex III.

**b) Opening Statements**

6. The meeting was called to order by Dr. Kandeh K. Yumkella, Director General of UNIDO, who gave the floor to the host and Chairman of CAMI-17, H.E. Mr. Rashid Mohamed Rashid, Minister of Trade and Industry of Egypt.

7. In his opening address on behalf of H.E. Mr. Ahmed Nazif, Prime Minister of Egypt, the Minister warmly welcomed the participants to the Conference. He stated that Egypt was proud to host CAMI-17, which was attended by a large number of ministers. Referring to the theme of the conference, he indicated that successful participation in the global economy was closely linked to the ability of countries to adjust to the rapid changes in today's globalized economy. While Africa is rich in both human and natural resources, the eradication of poverty and the achievement of sustainable development and better living standards required closer inter-African cooperation, cooperation between Africa and Asia as well as with the development partners in the northern hemisphere. He stressed the importance of Africa maintaining a set of common goals and strategies. In consideration of the above, Egypt had always been keen to strengthen economic and industrial ties with other African countries and was ready to allocate resources and expertise to promote South-South cooperation.

8. The minister then announced that Egypt had taken an initiative to enhance industrial and trade ties among African countries that would allow these countries to benefit from Egyptian technologies, training centres and facilities. The initiative, he stated further, included the establishment of a mechanism to guarantee the best use of financial aid received by African countries. In addition, it involved the provision of a modern centre for promoting private sector development. He indicated that Egypt would be happy to collaborate with UNIDO in the implementation of the initiative.

9. H.E. Mr. Fidelis Tapgun, Minister of Industry of Nigeria, in his capacity as chairman of CAMI-16, gave a report covering the last two years of his chairmanship. The Nigerian Minister thanked the CAMI bureau and the Secretariat for their support and commitment during the last 23 months. He recalled that at CAMI 15 in Yaounde, Cameroon, the ministers adopted a regional approach to CAMI activities. That resulted in regional meetings across the continent in 2002 and 2003 on strategies and actions designed to strengthen industrial production and performance, competitiveness and employment in Africa. He stated that that series of meetings culminated in the adoption of the Africa Productive Capacity Initiative (APCI) in 2003 as a comprehensive programme for developing sub-regional value chains, based on existing strengths and competences.

10. The adoption of the framework occurred at a time when the international community also agreed on the Millennium Development Goals (MDGs). It was clear that without expanding productive capacities and involving marginalized peoples and countries into the mainstream of development, without equality of opportunity, it would be difficult to attain the MDGs. Against that background, APCI was accepted by CAMI and eventually adopted in July 2004 by the Africa Union as the industrial component of NEPAD. Nigeria supported the initiative with US\$250,000 while Cameroon gave \$50,000. So far, the Minister said, UNIDO had spent about US\$1 million on various activities related to APCI, resulting in an increased level of collaboration between NEPAD, CAMI and UNIDO.

11. Since then, Senegal, Tunisia and Zambia had hosted sub-regional meetings for their RECs. At those meetings, priority sectors that formed the basis of regional road maps were agreed upon. The strategic importance of linking trade and industrial competitiveness was emphasized at the meetings. Other sub-regions would hold their own meetings in due course.

12. The minister pointed out that one of the most important developments that took place during his chairmanship was the election of an African as the Director-General of UNIDO. Never in the history of the organization had an African from south of the Sahara headed the body. He paid tribute to the AU, the Africa Group in Vienna and the CAMI bureau for their effort in ensuring that Dr. Kandeh Yumkella was elected. Equally significant was the election of South Africa's Auditor-General as the external auditor of UNIDO.

13. In handing over the chairmanship, he advised that the allocation of increased resources to industrial development was paramount among the challenges. Sensitization of the political leadership ranked second, and pursuing APCI matters vigorously came third. In the fourth place would be the creation of an appropriate mechanism to compel member states to account for the implementation of Conference decisions. In addition, the establishment of a pragmatic benchmark for the implementation structure for CAMI programme and activities, including the resuscitation of the regional economic communities (RECs) as channels of programme delivery, was to be looked into.

14. He looked forward to deliberations whose outcome would be reflected in the programme of the AU Summit in 2007, which would be devoted to issues of African industrialization.

15. Taking the floor, the Director General of UNIDO thanked Egypt for hosting CAMI 17 and expressed his gratitude to all delegations for participating in the meeting. He pointed out that under his leadership UNIDO was doing its best to revive and re-energise CAMI. It must be recognized that the CAMI meetings were not regarded as important as those attended by the ministers of trade or finance, mainly because industrial development in Africa was often considered as a secondary issue in the national development agenda. Yet, it was evident that poverty cannot be eradicated without wealth creation, which in turn requires the growth of productive capacities.

16. He pointed out that Africa had long been trading in commodities without adding any value or creating jobs for her unemployed youth. To overcome those problems, issues relating to productive capacity, competitiveness and trade needed to be discussed together. He observed that two-thirds of the ministers of industry in Africa were also ministers of trade and thus it was their duty to ensure that, in international negotiations, issues relating to production and trade were treated together. Linking manufacturing and trade, long advocated by UNIDO, must be the new approach to CAMI, especially as it also relied on the growing participation of key international players such as the Economic Commission for Africa (ECA), FAO, ISO, ITC, TICAD, UNDP and WTO. If the ministers succeeded in effectively linking trade and industry, then the Cairo CAMI would have become a turning point.

17. The Director General stressed that in order to achieve competitiveness and thus access to global markets, Africa needed on the one hand, a reliable supply and efficient utilisation of energy and, on the other, a better exploitation of its rich natural resources. He also pointed out that private sector development should be at the core of economic growth. A concerted effort must be made to project a different image of Africa, one which was forward-looking and focused on the emerging entrepreneurial capabilities and capacities of its people and their willingness to take on the challenges of industrialization.

18. The Director General finally stressed that UNIDO was fully committed to support CAMI and, at the same time, reminded the ministers that the development of productive capacities and the emergence of a sustainable and competitive manufacturing sector was a process requiring that Africans themselves take the responsibility to industrialise the continent.

19. In her opening remarks, the Commissioner for Industry and Trade of the AU, Ms. Elizabeth Tankeu, confirmed that many export opportunities had been missed by Africa due to the lack of productive capacities. As indicated in the paper submitted by UNIDO, Africa mainly exported raw materials, which explained why many of the countries had not been able to profit from the various international trade agreements. She advised that African countries should negotiate together rather than individually in order to get a better bargaining position and at the same time should improve their production capacities to take full advantage of available trade opportunities. Finally the Commissioner mentioned what the AU was doing to promote the African agenda and indicated the willingness of the AU to cooperate with UNIDO to set up a programme aimed at developing industrial capacities in Africa.

20. Next to speak was Mr. Frederick Sumaye, UNIDO Goodwill Ambassador and former Prime Minister of Tanzania, who attended the meeting as a special guest.

21. In discussing the strengths and weaknesses of African industry, he pointed out that one of the major differences between the developed and the developing world was their level of industrialisation. In other words, the underdevelopment of Africa could largely be attributed to its low level of industrial development. He contended that the low productivity evident in many African countries was the result of poor product quality, a limited technological base and low skills. For a faster economic growth, Africa must take stock of what it had, develop its human capital and put in place a workable strategy for sustainable exploitation of its rich resources.

22. The special guest pointed out that since agriculture was the mainstay of most African economies, their policies should aim at linking agriculture with industry, to ensure value addition. It was the domain of government to put in place an enabling environment that would encourage industrial investments, especially in the small and medium-size industries (SMEs).

23. With regard to human capital, he suggested that Ministers of industry should have interest in defining the curriculum of technical and vocational training institutions.

24. In concluding, he thanked the UNIDO Director-General for inviting him to the meeting and expressed confidence in the outcome of the conference.

## **II. INTER-ACTIVE HIGH-LEVEL SEGMENT AND DIALOGUE ON PRODUCTIVE CAPACITY – AFRICA’S CHALLENGE TO GLOBAL TRADE**

25. A new feature of CAMI-17, which clearly distinguished the 2006 event from the previous conferences, was the introduction of an interactive high-level segment with panel discussions that preceded the Ministerial Conference. The high-level segment provided an opportunity for dialogue among the different regions of the world as well various international organisations on the opportunities and challenges facing Africa in the global trading system. To that end, a number of special guests and distinguished scholars from various international and regional organisations were invited to participate in the panel discussion.

26. The panels were held in two consecutive sessions: the topic of panel 1 was "Strengthening Production Capacities and Competitiveness", the topic of panel 2 was "Market Access and Conformity to International Standards".

a) **Strengthening Productives Capacities and Competitiveness**

27. Panel 1 was co-chaired by:

Dr. Kandeh Yumkella, Director General of UNIDO; and  
Mr. O. Edache, Assistant Director General, FAO Regional Office, Accra, Ghana.

28. Other members of the Panel included:

Ambassador Bouma S. Diouf, Director, Bureau of TICAD, UNDP;  
Mr. Hamed Sow, Director, CDE;  
Ms. E. Tankeu, Commissioner for Trade and Industry, AU;  
Mr. Bamanga Tukur, Executive President, ABR.

29. The Director General of UNIDO introduced members of his panel and the topic for discussion. The rationale for introducing a new format was to enrich the ministerial discussion. He thanked the special guests who responded to his invitation and encouraged them to share their knowledge and experience with the ministers. He then called on the co-chair to make his remarks.

**Remarks by panellists**

30. In his introductory remarks, Mr. Edache agreed with the UNIDO Director-General that the presence of FAO reinforced the relationship between industry, agriculture and trade. According to him, those three sectors were so intimately linked that if any part of the chain was broken, sustainable long-term development could not be guaranteed. He decried the high percentage of post harvest losses, which was mainly due to inadequate processing of agricultural commodities. The paradox was that most countries depended a great deal on imported finished products that could have been produced on the continent. These tendencies exacerbated poverty in Africa and worsened the condition of the farmers. There was thus an urgent need to take measures to increase the productive capacities for value addition, with due attention to quality and standards. Winding up his remarks, he stressed the need for more intra-African trade.

31. In her opening remarks, the Commissioner for Industry and Trade of the AU, Ms. Elizabeth Tankeu, confirmed that many export opportunities had been missed by Africa due to the lack of productive capacities. As indicated in the paper submitted by UNIDO, Africa mainly exported raw materials. That was why many of the countries had not been able to profit from the various international trade agreements, which provided greater market access. She advised that African countries should negotiate together rather than individually in order to get a better bargaining position and at the same time should improve their production capacities to take full advantage of available trade opportunities. Finally the Commissioner mentioned what the AU was doing to promote the African agenda, starting with measures to improve the bad image created by negative media reports. The AU was in addition doing its utmost to promote intra-African trade and public-private partnerships. In concluding, she indicated the willingness of the AU to cooperate with UNIDO to set up a programme aimed at developing industrial capacities in Africa.

32. Speaking on behalf of UNDP and TICAD, Mr. Diouf thanked the Director-General for the cordial relations existing between UNIDO and UNDP. He agreed that so much had been said about market access and that it was time to focus on increasing productive capacities in the African countries. He talked about the effort being made by TICAD to promote South-South cooperation for example through the Africa-Asia Business Council, which brought together the private sector operators of the two regions. He talked about the need for African countries to continue to maintain political and economic stability as well as creating a business climate that reduced transaction costs. TICAD was willing and ready to work with the various countries on those issues as well as the development of human capital. In an effort to bring the Asian experience to Africa, following the TICAD Asia-Africa Solidarity Conference in April 2005, a web-based portal had been set up. The portal served as a consolidated, comprehensive information base on trade and investment for the identification of new business opportunities. Referring to a new initiative called Enhanced Private Sector Assistance for Africa, established by TICAD and AfDB to finance social and economic infrastructure projects, which already had over US\$1billion available for disbursement on concessional terms, he advised the ministers to take full advantage of the facility. Finally, he stated that the Trade Capacity Building Project of the UNDP Regional Bureau for Africa was ready to support CAMI activities.

33 In his contribution, Mr. Sow thanked the Director-General of UNIDO and his collaborators for initiating the dialogue. He felt that in dealing with African issues, there was need to undertake thorough analysis of the situation. He agreed with the Executive President of the ABR on the need to involve the private sector much more in solving Africa's problems. He then briefed the meeting about CDE, which was created in 1977 by the European Commission to serve the interest of the ACP countries. He informed the participants that CDE promotes SMEs, among others by providing them with funds. On the topic for the panel, he advised of the need to determine priority sectors to be developed, citing the example of cotton, which, if valorized, could improve the income of the farmers as well as ensure participation in international trade. He was in favour of promoting South-South cooperation and developing industrial partnerships.

34. The following major points were emphasized by the panellists as well as by the contributors from the floor:

- If Africa was to achieve economic development, industrialisation would have to be at the top of the development agenda. The continent's natural resources must also be managed, exploited and processed efficiently.
- Since agriculture was the mainstay of most African economies, agro-based industrialisation had to be at the core of their development agenda.
- Clear SME and human resources policies needed to be adopted and implemented and greater transparency should be introduced at all levels.
- Although diagnosis and studies were relevant, the implementation of concrete solutions should be emphasised. To that end, clear priorities must be set on the concrete actions to be undertaken and the private sector should be more involved, among others through public-private sector partnerships.
- South-South cooperation (both inter-regional and intra-regional) and the transfer of best practices in developing productive capacities should be promoted.

- Economic and political stability as well as the rule of law should be actively pursued to lower transaction costs and improve the overall business climate.

**b) Video Conference with Mr. Pascal Lamy, Director-General of WTO**

35. The high point during this session, which further raised the profile of CAMI-17, was the video conference with Mr. Pascal Lamy, Director-General, WTO. His exciting and informative address was followed by questions and answers.

36. The Director General of WTO informed Ministers of the latest developments in the ongoing trade negotiations relating to the reduction of tariff and non-tariff barriers to trade. These could have a great impact on African countries. He stated that the CAMI conference coincided with the time WTO was getting ready to advance negotiations on key issues in the areas of agriculture and industrial goods - the outcome of which would have direct bearing with CAMI concerns. With regard to agriculture, the reduction of tariffs by the developed countries would obviously benefit the food exporters in Africa. Given the high competitiveness of a number of African countries in agriculture, any significant improvement in market access would lead to substantial gains. He cited the example of export subsidies, which led the developed countries to depress world prices and to crowd out African agricultural exports: if negotiations were successful, these would be reduced. The reduction of other trade distorting subsidies would also benefit many African countries. In addition, attention was being paid to reducing tariff escalation, which impacted negatively on key exports from Africa.

37. The negotiations, he pointed out, would not only be about agriculture. They would also cover industrial goods where improved market access would facilitate the diversification and value addition of commodities. WTO was trying to ensure that tariff peaks and tariff escalation were either eliminated or substantially reduced. Beyond tariff reduction, effort must be made to address other issues such as standards and sanitary measures. Those were issues on which agencies such as UNIDO, FAO, WTO, World Bank and some donors were cooperating. He informed the ministers that a Standards and Trade Development Facility had just been set up to help developing countries conform to international sanitary standards and that UNIDO, which had crucial role to play because of its specific experience, had requested to participate in the initiative.

38. The Director General of WTO stated that it would be simplistic to think that dealing with tariffs and non-tariffs barriers or issues of market access alone were sufficient. Those two alone would not generate concrete results in terms of economic development. In his view, another key to unlocking Africa's production capacity and competitiveness lay in the policy framework within which gains from trade liberation were embedded. In that connection, supportive infrastructure, economic and fiscal policies, a stable political environment, etc., were central challenges towards improving production capacity and competitiveness. He recalled that the recent AfDB annual meeting in Burkina Faso had underlined that economic development would be very much facilitated by the development of roads, telecommunications, energy, etc.

39. The Director-General informed the ministers that the recently introduced Aid for Trade initiative, as a comprehensive package, would be crucial in addressing many of the bottlenecks in production capacity and in unlocking the potential for increased opportunities. In short, WTO shared positions with CAMI in terms of tariffs, non-tariffs, capacity development, etc. “We are already working in synergy with what you are doing and my simple wish is that we do more together”, he concluded.

40. The Director-General of WTO answered some questions raised by CAMI participants:

- In relation to the road map following the Ministerial Meeting held in Hong Kong in 2005, he indicated that there was a window of opportunity for concluding the current round of negotiations by the end of the year, depending, however, on the political decisions taken in June and July 2006.
- On the issue of the timing on Aid for Trade, he indicated that the relevant Task Force was expected to submit its report by end July 2006.
- On the issue of timeline, given that there were over 20 topics listed for the 29 June meeting, he said that it was his hope that the main political decisions, such as service negotiations, anti-dumping, fisheries subsidies, etc., would be dealt with expeditiously. With regard to the remaining topics, it was expected that the June meeting would also deal with issues relating to reductions in agricultural and industrial tariffs as well as domestic trade distorting subsidies.
- As to whether African countries, given their low industrial base, could still compete internationally even if tariffs were reduced, he stated that the developed and the developing countries did not have the same comparative advantages. It all depended on the sectors in question. The developing countries would still enjoy a higher level of protection, but they were expected to use such advantages efficiently. The purpose of the Doha Development Round was to rebalance the rules and the numbers in the multilateral trading system, to make the game fairer. The developed countries had for long maintained protection in sectors like textiles, clothing and agriculture even though the developing countries were competitive in the production of the raw materials. WTO was addressing that inequitable situation. Nevertheless, there was need for the developing countries to be more efficient and to create the necessary conditions - even in the size of the markets (hence the importance of regionalisation and regional integration in developing the support infrastructures and maintaining a sound macro-economic framework).
- On the observation that Aid for Trade should not be a substitute for trade negotiations, the WTO chief assured that the two would be complementary. He went on to outline the link between trade, finance and development. The fact that the AfDB was part of the process gave him much hope.
- Finally, with regard to the involvement of the private sector in the trade negotiation process, the Director General of WTO said that he could not agree more with the observation. However, he advised that it was best addressed at the country or regional levels, indicating that it would be beneficial to involve business representatives in preparing for the negotiations.

41. In his concluding remarks, the Director-General of UNIDO thanked the Director General of WTO. He stated that the main message emerging from the panel was the need for a combined effort at the international level to support the actions being undertaken at the country level.

c) **Market Access and Conformity to International Standards**

42. Panel 2 was co-chaired by:

Mr. Rashid M. Rashid, Minister of Trade and Industry of Egypt; and  
Mr. Alan Bryden, Secretary-General, ISO, Geneva.

The other members of the panel were:

Mr. Soumaila Cisse, President, Commission of UEMOA;  
Ms. Josephine Ouedraogo, Assistant Executive Secretary, ECA;  
Mr. Toufiq Ali, Ambassador, Permanent Representative, Mission  
of Bangladesh, Geneva; and  
Mr. Mansour Cama, UNIDO Goodwill Ambassador.

**Discussions**

43. In his introductory remarks, the Minister of Trade and Industry pointed out that Africa's share in global trade in manufactures was negligible. For him, an even bigger problem was the lack of intra-regional trade in Africa and trade with other regions in the South. In international trade, standards and specifications were prerequisites for expansion of exports. The challenge therefore was to enhance existing or establish a new quality infrastructure to ensure that Africa produced competitive goods.

44. Speaking in the same vein, Mr. Bryden, the Secretary General of ISO stated that quality infrastructure was relevant for competitiveness as well as for social and economic progress. It entailed setting up the legal framework concerning metrology, technical regulations and related matters acquiring the hardware for measuring and testing. Aspects of software included standards, certification procedures, documentation, promotion, communication and training. Because of the globalization of trade, many other issues such as health, environmental protection and safety were also being standardized. For those reasons, one of the requirements for access to WTO was the adherence to and implementation of international standards. He mentioned that ISO had over 15,000 standards – their acceptance was based on consensus among countries as well as stakeholders in the relevant areas. Since standards had become a key factor for accessing world markets along with technology acquisition, ISO had been making efforts to ensure that its 156 members (37 of whom were African countries) developed their national action plans. He advised the ministers to take pains in raising awareness in their countries about the importance of standards, especially as many of them were also responsible for the national bureaus of standards. He also advised of the need to build the necessary human capacity and Internet infrastructure for standards; assistance could be given by his organization. Finally, he encouraged the various countries to participate actively at the governmental and technical levels in the international standards meetings.

45. Ms. Josephine Ouedraogo of ECA was happy that ECA was invited to contribute to the discussions of the panel. On the issue of market access, she argued that priority should be given to intra-African trade, making Africa's markets accessible. Since trade was a powerful engine of growth, in order to meet some of the critical goals of the MDGs, African countries

must promote investments in the productive sectors. Given that African products faced various kinds of technical barriers – tariff and non-tariff, rules of origin, seasonal restrictions, etc, in international trade, understanding the legislative and other requirements were extremely important. To that end, African countries should, as suggested by the representative of ISO, participate effectively in the meetings where the rules and standards were being set. She stressed that the African market being part of the global market, effort must be made to open it up among African countries. To that end, ECA had been promoting regional integration. She hoped that the AU, on the political side, would try to create a common African market and to that end it should draw up a list of strategic products and services that Africa must provide for itself. She also made a case for improving the enabling environment for promoting joint ventures. She cited the case of Mali, which had allocated 100,000 hectares and invited African entrepreneurs to invest in the production of rice. Such an initiative would succeed better if its vision was shared by other African countries. In short, the situation would improve if African countries tried to enhance within the continent.

46. Contributing to the discussion, Mr. Soumalia Cisse, President of the UEMOA Commission briefed the meeting about UEMOA - an economic block of eight French-speaking countries in West Africa. UEMOA was doing its utmost to ensure convergence of policies, procedures and laws aimed at becoming a common market. UEMOA, he stated, had adopted an economic regional programme where goods and services circulated freely. With the support of UNIDO, UEMOA had been implementing a quality as well as an industrial upgrading programme. Those programmes had resulted in the enhancement of technical capacities in the eight countries especially in agro-industries, in particular, cotton. Many national laboratories had been reinforced. He attributed the success attained so far by UEMOA to a number of factors. First, it was necessary to have a clear vision. Good governance was also a prerequisite. Equally important was the need to strengthen the infrastructures and then introduce a public/private partnership in the countries concerned. With regard to trade, one must ensure compliance with international norms and standards as well building up the productive capacities in each country.

47. Mr. Mansour Cama, UNIDO Goodwill Ambassador was the next to take the floor. Using his experience as a private investor in the leather and other industries, he mentioned some of the difficulties faced by African entrepreneurs. Some of those included the unequal competition from imported goods which might be of inferior quality. Other problems included high transaction costs, volatile currencies and inflation. He informed the ministers that many industries had been forced to close down because of cheap and poor quality products imported from China. He cited the specific case of second-hand clothing and shoes imported into many countries, which constituted a serious impediment to local investors. Those were some of the difficulties which made it difficult to promote intra-African market. He assured the ministers that the African private sector existed and should be trusted and involved in planning for development. While the African private sector welcomed competition, there was need to give their investments some protection - just as the advanced countries were providing various forms of support, including subsidies, to their industries.

48. Mr. Toufiq Ali, Ambassador of Bangladesh, one of the special guests, stated that, based on the experience of Asian countries, there was no substitute to industrial development as a means to creating wealth. In his view, the developing countries needed to create demand for their commodities by negotiating tariff advantages and the removal of non-tariff barriers within a WTO framework. He argued that in a liberalized economy the private sector was best placed to tackle questions of supply and demand. The challenge for governments was to help nurture the growth of entrepreneurs. He cited the case of Bangladesh, where the private

sector had developed the textile and garment industries which they were now promoting in many other developing countries. On the issue of Aid for Trade, he said that it consisted of three parts: an integrated framework for assistance, measures to meet the adjustment costs when countries liberalize and cross-country infrastructure projects. He mentioned the amounts of money committed by the Organization for Economic Cooperation and Development (OECD), G8, the European Union (EU), Japan for this purpose but pointed out that there was no clarity about the shares of bilateral and multilateral disbursements. He went on to praise UNIDO for the assistance provided to Bangladesh in the development of the country's standards institute.

49. Mr. Oumar Aw, Resident Representative of the AfDB mentioned that the bank was very keen to provide effective support to the member countries in areas of domestic reforms, promotion of the private sector, trade development and capacity building. The bank's support for private sector development was aimed at promoting job creation and capacity development for production. At the regional level, the AfDB also supported regional integration and strengthening of the RECs and NEPAD.

50. The following issues were thus distilled from the panel and other contributions:

- The transition and development agenda were now about quality and their relevance to production, value added and trade. That implied constant improvement in quality and benchmarking of countries against their competitors. Industrialization was a must - even if one enhanced agricultural production, one had to move towards industrialization to ensure sustainability and competitiveness. It was through industrialization that one created wealth and jobs. There were problems and challenges but also opportunities.
- WTO had created a set of multilateral trade rules and members were expected to observe those rules. The developing country group in WTO must try to create policy space for the developing countries for implementing those rules through special and differential treatment.
- In the Bangladesh example, the private sector in the textile industry had matured and was now setting up factories abroad, especially in African countries, which did not require heavy capital outlay or skills.
- The US African Growth and Opportunity Act (AGOA) was important in terms of linking production and trade and sharing experience and good practices. While most items could be exported to USA under the act, with the notable exception of petroleum. textiles and garments, very few additional products had entered the American market. Clearly the African countries were facing problems in grasping the opportunities. The countries had to do more to identify sectors and value-added products for export growth, to stimulate enterprises and entrepreneurial development and to address barriers that impeded domestic and international trade, including standards, compliance, etc.
- There was a very strong message about the ability of the private sector in Africa. The sector was benchmarked against that in Asia. The role of the government, its agencies and support institutions were considered. While the former had the duty of creating the enabling and stable environment the latter was responsible for investment. It was concluded that the private sector should be closely involved in planning for development in the various countries.

### III. CAMI MINISTERIAL SESSION

#### a) Election of The Bureau of CAMI-17

51. Based on the unanimous election conducted during the Intergovernmental Committee of Experts' meeting, the CAMI-17 Bureau was constituted as follows:

Egypt	President (North Africa)
Tanzania	1 <sup>st</sup> Vice-President (Eastern Africa)
Burkina Faso	2 <sup>nd</sup> Vice President (West Africa)
Cameroon	3 <sup>rd</sup> Vice President (Central Africa)
Lesotho	Rapporteur (Southern Africa)
Nigeria	Ex officio (outgoing CAMI President).

52. Nigeria was elected to the Bureau in keeping with the CAMI-15 decision that the immediate outgoing CAMI President should be a member of the incoming CAMI Bureau in order to provide continuity.

#### b) Opening Statements

53. In his opening remarks following the adoption of the conference agenda, the President of CAMI-17, the Minister of Trade and Industry of Egypt, informed his colleagues that he had had the opportunity to chair the conference of African Ministers of Trade and to play a lead role in the WTO negotiations for 16 months. The experience acquired exposed him to the challenges and opportunities facing Africa. It was particularly exciting for him to chair CAMI-17 when UNIDO was under new leadership, a leadership with a strong sense of enthusiasm and commitment. He thanked his predecessor, the Nigerian Minister of Industry, for his contribution during his tenure. The new Bureau would build on their achievements. He assured his colleagues that Africa had the ideas, creativity and ability to be a world player. With the right kind of education and knowledge, the population in Egypt and other countries would become more productive. He recalled that in less than two years, Egypt's industrial sector had grown by 6.1%. Exports increased to 30% and there were more investments in industry. These developments were taking place because the government was stimulating entrepreneurship throughout the population. He urged for greater inter- and intra-African trade. The Asian development models should be adopted and adapted by Africa, he concluded.

54. Addressing the conference, Ms. Elizabeth Tankeu, AU Commissioner for Trade and Industries, conveyed the best wishes of Mr Konare, President of the AU Commission, to the ministers. She thanked the host government which, she said, had all the characteristics of an emerging economy and which was willing to share its knowledge and market with the rest of Africa. She went on to congratulate Dr Kandeh Yumkella on his election as the Director General of UNIDO, assuring him that Africa would support him. She also pledged the support of the AU and counted on UNIDO's technical expertise in dealing with the pervasive poverty in the continent through promoting industrial development. The AU believed that without industrialisation, Africa would remain poor, underdeveloped and unable to participate in global trade. The Commission would also like to encourage value addition, especially in agro-industries, and to reduce the emphasis on extractive industries. She

indicated that the President of the AU Commission requested her to announce to the ministers that the July 2007 Summit of the AU Heads of States would be on African industrialisation. Since that Summit would exclusively be devoted to discussing industrial development issues, it would also be an opportunity for Africa to define its global strategies especially on how best to valorise its raw materials. The 21<sup>st</sup> century would not be the African century, she declared, unless the leadership made some strategic choices especially with regard to adding value to their raw materials. In view of that, the work and guidance being provided by UNIDO was very much appreciated.

55. As part of the strategic plan, Africa must continue to speak with one voice; hence the AU was responsible for convening an increasing number of meetings. In that connection it was heartening to know that, henceforth, the AU would be responsible for convening the CAMI. That was also why the AU in July 2003 took the decision to integrate NEPAD into the AU Commission. While there could be diversity of actors playing complementary roles, it was important that the AU coordinated the major African events. In concluding, she reiterated that industrial development was an obvious avenue for removing Africa from the poverty trap and therefore looked forward to the support of the ministers in ensuring a result-oriented Summit in 2007.

56. The Assistant Executive Secretary of ECA, Ms. Josephine Ouedraogo, thanked the Egyptian Government for hosting the conference. She also thanked the new Director General of UNIDO for reviving a tradition of cooperation through the joint organisation of the conference by UNIDO, ECA and the AU. The theme of the conference, she observed, perfectly matched the objectives of both NEPAD and the MDGs, with its emphasis on partnership, the development of open, rule-based, non-discriminatory trade and improvements in financial systems. She underscored the importance of linking industry with trade - therefore priority should be placed on productive capacity building as a way of ensuring African participation in global trade.

57. She stated further that in the discussions that had taken place during the Intergovernmental Committee of Experts meeting, it was clear that trade liberalisation and enhanced market access alone were not sufficient in promoting trade. To those must be added competitive productive capacity and conformity to standards. Two questions had to be asked: where would Africa want to be in the near future and how would she get there? The conference afforded an opportunity to review the progress made in the area of industrial development. Given that African governments had enhanced their commitment to economic reforms in terms of macro policies, legal and regulatory reforms, it should be possible to achieve much in a short time. Governments should reinforce education and vocational training, and pay attention to research and development (R&D). The current international situation dictated that ECA needed to reposition itself. The restructuring that was taking place under the new Executive Secretary, Mr Abdoulie Janneh, would enable ECA to serve the region better.

**Statement by Special Guest Speaker Alhaji Bamanga Tukur, President of the African Business Round Table**

58. The Executive President of ABR, Dr. Alhaji Bamanga Tukur, speaking as a special guest, stated that the session of CAMI was especially important for a number of reasons. The first was the election of Dr. Yumkella as the new Director-General of UNIDO. He congratulated the Director General for assuming the leadership of the prestigious organization. It was also an honour for him to be invited as a special guest speaker to address

the assembly of ministers and experts gathered for the purpose of reviewing the framework for accelerating the industrial transformation of African countries. This would allow them to join the league of industrialized and developed countries, because Industrialization was the bedrock of economic growth and development.

59. He recalled that at CAM-16, in Vienna in November 2003, one of the resolutions adopted concerned the formulation of a new strategic approach to industrialization for the continent. The Second Industrial Development Decade for Africa came to an end that year, and after a critical review of its impact it was concluded that Africa was in the main de-industrializing. The continent continued to be a dumping ground for substandard products. That situation influenced the decision to adopt the Africa Productive Capacity Initiative (APCI) - an integrated framework of policies, implementation plans and concrete projects, with strong sectoral focus, to enhance the productive capacity of African industries. ABR supported APCI, and was particularly pleased with the strong emphasis on stimuli for the growth of industrial SMEs.

60. The Executive President of ABR pointed out that 2006 had seen important political developments: dynamic Africans had been appointed to lead four key institutions relevant to driving the development agenda of the continent: the African Development Bank, UNECA, UNIDO and NEPAD. They were resourceful, experienced young Africans with a strong vision, commitment and energy to drive development issues forward.

61. While governments and intergovernmental organizations played an important role, the private sector's was also an essential partner in any development initiative. The APCI, he pointed out, emphasized strong public-private sector linkages and partnerships. The challenge was how to find and define the appropriate mechanisms to empower the private sector.

**c) Presentation and Adoption of the Report of Experts**

62. At the invitation of the President, Ms. Mabaiti Motsamai, in her capacity as the Rapporteur, presented the report of the Intergovernmental Committee of Experts of the Whole on Industrialisation in Africa as well as the recommendations of the experts to the conference.

63. After providing an account of the sequence of events, she summarized the discussions. She explained that two parallel sessions were held. While Working Group one examined issues relating to Building Productive Capacity, the second Working Group discussed Building Trade Capacity. In both cases, UNIDO provided the background papers that informed the discussions.

64. The Experts, having examined issues relating to funds mobilization, had pointed out that funding opportunities existed at the level of the RECs. They urged for increased efforts in the development of APCI-related programmes. In that connection, UNIDO was requested to help the RECs in developing capacities for programme design. According to the Rapporteur, the Experts generally underscored the necessity for African countries to approach the issues of production and trade in terms of value chains. Finally, she presented for the consideration of the ministers the recommendations of the Experts.

65. After the presentation by the Rapporteur, various ministers commended the Experts and the Report. With slight modifications, the report and its recommendations were adopted by the conference. The report is attached hereto as Annex II.

#### **IV. THE 2007 AU SUMMIT**

66. The AU Commissioner for Trade and Industry informed the conference that the next AU Summit, scheduled to take place in Accra, Ghana, in 2007, would have as its main theme “Industrialization of Africa”. She then proceeded to indicate the road map, activities and preparatory process leading up to the Accra Summit.

67. The conference applauded the decision and indicated its determination to make it a success. The ministers also called on UNIDO to provide the AU with all possible support – technical and otherwise – to ensure a result-oriented Summit in 2007.

#### **V. SIGNING OF THE AU-UNIDO MEMORANDUM OF UNDERSTANDING**

68. In a side event, the Director General of UNIDO and the representative of the chairman of the AU signed a Memorandum of Understanding. The document defines the path for cooperation between the two organizations as well as critical activities that would be undertaken jointly in support of the development endeavours of the continent. Some of the areas indicated include:

- a. intra-African industrial cooperation;
- b. energy;
- c. trade capacity building;
- d. agro-processing;
- e. promotion of African technological designs;
- f. any other areas as may be determined by their competent organ.

#### **VI. ADOPTION OF THE CAMI-17 MINISTERIAL DECLARATION**

69. Following its presentation by the President of the conference, the Ministerial Declaration (attached as annex 1) was adopted by acclamation.

#### **VII. DATE AND VENUE OF CAMI-18**

70. The delegate of South Africa informed the meeting that his Government would be pleased to host the 18<sup>th</sup> Meeting of the Conference of African Ministers of Industry in 2008. He indicated that the precise dates and venue in the country would be determined in consultation with the Bureau and would in due course be communicated to members.

The meeting welcomed the offer and thanked the Government of the Republic of South Africa for its generosity.

## **VIII. CLOSURE OF THE MEETING**

71. In closing the meeting, the President once more expressed appreciation to all participants and the Secretariat for the quality of work and report. He congratulated the countries that had been elected to the Bureau. He promised that during his tenure as Chairman, Egypt would do its utmost to move CAMI forward and would endeavour to further increase its relevance.

## Annex I

### DECLARATION OF THE CONFERENCE OF THE AFRICAN MINISTERS OF INDUSTRY (CAMI 17)

**We, the African Ministers of Industry**, meeting at our 17<sup>th</sup> session, 21 June 2006, in Cairo, in Egypt, at the kind invitation of the Government of Egypt.

**Taking stock of** the weakness of industrial capacities of the Continent, the rather low level of industrial competitiveness; and the state of domestic and direct foreign investment in the sector; the rather mediocre quality and standard of the local products; the insufficient capacities and capabilities for the full participation of the Continent in international trade and the weak synergies between production and trade.

- **Conscious of** the enormous efforts exerted to enhance our agro-pastoral, fisheries, mining and mineral resources,
- **Concerned for** sharing information, knowledge and know-how to accelerate industrial development of our countries,

**Guided** by the various strategies and programmes for enhancing the Continent's competitiveness, investment promotion, partnership and trade enhancement; the efforts and initiatives enshrined in the Africa Productive Capacity Initiative as well as the collaborative efforts among the key facilitators – AU, UNIDO, ECA, NEPAD, in realizing this initiative.

**Stressing** the urgent need to develop the capacities of the productive sector as the sustainable option for wealth creation, income generation, diversification of the sources of employment and poverty alleviation.

**Recognizing** the need to systematically and objectively review each step in the process required for the establishment of viable industrial branches, with an accent on enhancing the paramount role of the private sector, and to strengthen public –private partnership.

*Taking into account* the important role of technology development and innovation in achieving Africa's common aspiration articulated in the NEPAD Programme of Action and the UNIDO Business Plan,

*Conscious of* the important role that our Continent can play in the global economic arena and the necessary control of resulting challenges.

*Noting* that although Africa also faces a multitude of other challenges, such as migration, AIDS pandemic, malaria, TB, the deterioration in the utilization of installed production capacities, worsening poverty, the rural-urban drift, low skills levels, environmental degradation, sources for youth employment, energy insecurity, food insecurity and as well as conflicts.

**Reaffirming**, our common will to exploit opportunities offered by initiatives such as APCI, NEPAD, EBA, APE, AGOA and to implement Aid for Trade to eliminate such challenges,

1. **We reaffirm** the role of political leadership of the African Union (AU) in achieving the goals set in the various industrial development programmes at the subregional and regional levels;
2. **We express** our common will to deploy sustained efforts for enhancing Africa's share in global trade;
3. **We are committed** collectively and individually, (i) to strengthen and diversify our productive capacities, (ii) to overcome supply-side constraints (iii) to improve competitiveness (iv) to exploit economies of scale;(v)to develop and exploit our export potential ;
4. We are determined to mobilize and make available resources and other required inputs to improve on inadequacies in the physical infrastructure and to eliminate constraints that weigh upon the offer, and to ensure respect for technical standards;

5. We invite African stakeholders to (i) identify key necessary requirements, (ii) propose and (iii) develop best options for overcoming key challenges in respect of access to international markets;
6. **We invite** our governments in close liaison with the private sector to elaborate programmes for building trade capacities;
7. **We invite** development partners to support such programmes, including the development of coordinated strategies for their efficient execution;
8. **We fully support** the actual mandate of UNIDO and we loudly and strongly affirm the institutional integrity of UNIDO and the enhancement of its resources in the context of the current reform of the United Nations system;
9. **We resolve** that the new CAMI under the aegis of the AU/ NEPAD shall be the appropriate framework in providing political leadership and presenting political orientations towards the realization of the African Union Vision and for sustainable and competitive development of the industrial sector for the promotion of trade and to ameliorate the well being of our peoples;
10. **We request** the Secretariat of UNIDO and ECA to provide appropriate technical assistance in areas of its competence to the Commission of the African Union in support of the Conference of African Ministers of Industry or any other organ of the Union responsible for industrial matters;
11. **We further request** that such technical assistance must ensure careful consideration of the sub-regional priorities and policies as defined by the Regional Economic Communities;
12. **We reaffirm** the determination of our countries to make voluntary contributions in the different forms to ensure the efficient implementation of programmes and projects.
13. **We are committed to** establish mechanisms for partnership with the international community, including fostering cooperation with other developing countries to secure

additional, technical and financial resources, exchange of information and experience for the implementation of programmes;

14. **We welcome** with satisfaction that the AU summit in July 2007 for the Heads of State and Government which will be dedicated to the questions of industrialization of the Continent, and call upon UNIDO and all other partners to assist the AU in the preparation of this important summit. In this context, we fully support the adoption by UN- ECOSOC of a theme on industrial development for its high-level segment in 2008.

15. **We thank** the government and people of Egypt for their legendary hospitality and for all facilities accorded at our disposal, which enabled the successful proceedings of our tasks.

Adopted this 21<sup>st</sup> day of June, 2006 in Cairo, Egypt.

## Annex II

### Report of The Intergovernmental Committee of Experts of The Whole on Industrialization in Africa – Summary of Proceedings

#### **I. Opening Statements**

1. Opening statements were made by the main partners in the CAMI process: the Host Government, Nigeria (holding the Chair of CAMI 16), UNIDO, UNECA, and the AU. Each acknowledged that the African leadership had made a major shift in the development process in Africa by taking charge of the continent's destiny. The low levels of manufacturing activities on the continent had acted as a spur to the current collective determination. They reiterated that strategies for Africa's successful participation in the global economy were urgently needed. Speakers underlined a common concern that the challenges to African economic progress were significant, warranting a search for new approaches based on strategic industrialization and the generation of wealth for the majority of Africans. They noted the benefits of APCI as a viable strategy for the attainment of various national Poverty Reduction Strategy Papers and the objectives of the Millennium Development Goals (MDGs).

2. In her statement, the representative of the Chairman of CAMI 16 welcomed members to the meeting. She expressed apologies on behalf of the Chairman for the inability to convene the final meeting of the CAMI Bureau, for reasons beyond the collective control of the Bureau. The present meeting was crucial to the industrial development efforts of the Africa continent. In the new world order, developing countries were being confronted with increasing challenges; African economies were not strong enough to deal with these challenges. This was causing great concern, among others because of the direct link to the reduction of poverty within the framework of the MDGs.

3. The representative of the Chairman noted that CAMI-17 constituted a positive departure from the previous years. In spite of the inability to convene the 4<sup>th</sup> Bureau meeting, the programme and agenda for CAMI-17 were the result of wide consultations. She commended the efforts of UNIDO, AU and the ECA in mobilizing political and economic actors for the meeting. The presence and the participation of the organized private sector, other development partners and institutions as well as the RECs, ensured a meaningful discussion.

4. The statement on behalf of the Director General of UNIDO emphasized the theme chosen for CAMI-17 i.e. "Productive Capacity - Africa's Challenge to Global Trade". It reflected the importance African leaders attached to productivity, growth and trade for development. There was a growing consensus that success in trade was essential for the achievement of the MDGs, particularly those related to poverty eradication. Therefore, the evolution from protectionism to open global markets system was expected to yield major benefits, in particular for the developing countries. Unfortunately, most countries in the African region had not been able to reap significant benefits from trading opportunities, in spite of concessionary schemes such as the USA's African Growth and Opportunity Act and the Everything but Arms initiative of the EU.

5. The statement highlighted UNIDO's opinion that Africa's failure to benefit from those opportunities resulted from the lack of capacity to ensure supplies in sufficient quality and quantity, the inability to comply with international standards and problems associated with the lack of regional economic integration. In response, UNIDO had developed a strategic approach to assist in overcoming the constraints.

6. The representative of the Executive Secretary of ECA expressed deep appreciation for the strong partnership with UNIDO and the AU in this important endeavour and particularly appreciated the focus on the critical challenge of building up the productive capacity of African economies to enhance their participation in global trade.

7. The representative emphasized that, in the regional preparatory process for the 14<sup>th</sup> Session of the UN Commission on Sustainable Development (CSD-14) held in New York in April 2006, ECA and UNIDO prepared a joint Report on the Review of African Sustainable Industrial Development. Officials and experts of African countries at the 4<sup>th</sup> meeting of the Africa Committee discussed the findings of this report on Sustainable Development, held at Addis Ababa in October 2005. Almost all the twelve points underlined in the list of challenges and constraints relate to crucial supply-side/productive capacity issues. He referred to the actions taken subsequently, especially the regional statements addressed to CSD-14, which highlighted inter alia the progress and achievements, challenges and constraints, lessons learned and the way forward for industrial development in Africa.

8. The representative focused on the agriculture-industry-trade nexus in Africa. The structural transformation of agriculture was the key for broad-based economic growth and poverty reduction in Africa. Failure to transform the African agricultural system constraints growth and employment in the overall economy, as the system was not only a major employer of the poor, but also a key supplier of low-price food and industrial inputs as well as a major source of demand for products from other sectors.

9. A representative of the AU recalled that capacity building in Africa did not get the same support as in Asia and Latin America. Therefore, AU Heads of State and Governments requested the Commission to elaborate and implement an African capacity productive programme for the whole continent. In the formulation and implementation of such a programme, there were three important considerations. Firstly, industrial capacity building had interlinked technological, technical, financial, commercial and innovative components. Secondly, African authorities played a crucial role in providing full political and diplomatic support to set up an enabling environment to attract foreign direct investment, with particular emphasis on agro-industries. Finally, to obtain positive and concrete results with such a large programme, it was necessary to involve as many partners as possible and have a strong leadership.

## **II. Presentation of Report on the Implementation of APCI and discussion**

10. The report, presented by UNIDO, is based on reviews and analyses of national action plans and sub-regional roadmaps for implementing APCI. It places APCI in an MDG perspective, discussing it as a strategic means to attain the MDGs.

11. The report highlighted the need for African economies to upgrade productive capacities and diversify exports – a situation that was long overdue hence the importance attached to the matter by the African ministers. It called for fundamental shift especially in production and processing practices and systems, with a significant upgrading of production

capacities and support services. It delineated elements of the type of comprehensive programme necessary to achieve this, and provided an outline of sub-regional specificities in implementing such a programme.

12. The report also contained some practical policy recommendations, which could serve as a framework for a comprehensive sub-regional programme to implement APCI. It specifically mentioned the following issues: harmonization of industrial governance, technical support programmes, creation of a competitiveness observatory, regional centres of excellence, cross-cutting issues in support of sectoral programmes, and (the rationale for) regionally specific actions.

13. The report concluded that strategies enabling Africa to take advantage of opportunities to increase the level of manufacturing value added and the presence of African products in global markets must be developed on the basis of systematic analyses of the changing governance structure of the value chain. The development of productive and trade capacities should also be part of a comprehensive approach embedded in a culture of innovation and learning.

14. In the discussions that followed the presentation, most delegates agreed that the two main issues facing APCI were the need to secure funding for the sub-regional action plans and to agree on institutional arrangements for the effective implementation and coordination of the plans. Delegates stressed the importance of not losing momentum, and to capitalize on the widespread support from various stakeholders: the national public and private sectors, the sub-regional commissions and the international community. Therefore, there was an urgent need to move into the next phase of implementing the sub-regional action plans.

15. In responding to the comments and observations, UNIDO agreed that financing and harmonization were the main issues to be addressed in phase 2 of APCI. On financing, UNIDO called upon national governments and regional commissions alike to set aside financial resources. On coordination, UNIDO emphasized the urgent need for decision makers to propose effective institutional mechanisms. At the sub-regional level, UNIDO suggested to include government officials as well as representatives of the private sector in the coordination structures. In addition to sub-regional structures, importance was also to be accorded to the coordination at the regional level.

### **III. Working Groups**

16. This session was divided into two working groups running concurrently. The themes were "Building Productive Capacity" and "Building Trade Capacity". The issue papers for the working groups were prepared and presented by UNIDO

#### **Working Group 1: Building Productive Capacity**

17. In 2004, Africa exported goods to the value of US\$ 232 billion, equivalent to 2.6% of global trade; it imported goods to the value of US\$ 212 billion, equivalent to 2.3% of global trade. Africa's merchandise exports in 2004 were skewed towards fuels and mining products (59.1%). Those were followed by manufactures (25.1%), agricultural products (12.1%) and unspecified products (3.7%). Unprocessed goods (fuels, mining products and agricultural products) accounted for more than 71% of Africa's total merchandise exports in 2004.

18. The changing structure of global trade was directly related to shifts in the structure of global production. Industrial production had undergone fundamental changes because of the international mobility of capital, goods and human resources. The emergence of more intermediaries and the increase in outsourcing activities in specific segments of the value chain had given rise to a global production system, which basically worked as a highly segmented network.

19. The movement of investment and human capital was often closely related to specific and interlinked segments of the value-chain, extending from raw material production right up to the sale of the final product. Value-added was generated at each stage of the segmented production process. In the present context, two segments in the value chain should be highlighted:

- i) Downstream segments: those were usually based on comparative and competitive advantages directly related to incremental value-added in each segment/stage of production. The value-added and technology content was low, as was the level of skills required.
- ii) Upstream segments: those were usually based on cumulative advantages. Their focus lay on coordination, knowledge sharing and brand ownership in the global production systems.

20. Because of those developments, the efficient allocation of resources in specialized production sites or agglomerations around the world has become an important governance issue. Least developed countries (LDCs) needed to identify those segments/stages of the production and trading process in which they could participate. Understanding the segmentation process and exploiting the opportunities it offered would be essential to increase export opportunities, but the level of specialization of African industries was too low for a strong position in specific value chain segments; moreover, they tended to concentrate on low value-added products which were subject to heavy competition from other developing regions.

21. In moving up the value chain, a number of obstacles must be tackled. Labour productivity was one. In Africa, differences in labour productivity (measured in terms of value-added per employee) across firms of differing size were substantial. Variation across sectors was also substantial. The range of physical capital per employee across firms of differing size was even larger than the range of labour productivity. Higher physical capital intensity normally meant higher productivity, but large African enterprises with more capital per employee did not necessarily have higher labour productivity. In micro-enterprises, value-added per employee in dollar terms was three to four times higher than in larger enterprises. Among formal and informal small and medium-sized firms, competition was probably stiff, whereas among large firms, of which there were few and which often operated in protected markets, there were little competition. There was, however, a limit to what competition among small firms could achieve in terms of productivity increases because their ability to exploit economies of scale was limited.

22. Relatively few firms in Africa exported. There were close links between productivity and exports. One of the main obstacles to entering export markets was the cost involved. To overcome that, firms had to lower costs by becoming more productive (because greater productivity reduced the average cost of production). Once a firm was established in an export market, its increased access to foreign exchange facilitated the acquisition of capital goods from abroad, which in turn could boost productivity further.

23. Competitiveness in export markets had many other aspects. The key determinants, apart from productivity, were value chain upgrading, an enabling environment, technology content, infrastructure and support institutions. In its Industrial Development Report 2002/2003, UNIDO highlighted some of the main structural “drivers” (enabling factors) of industrial competitiveness: foreign direct investment, domestic R&D, skills, licensing and physical infrastructure. In global production networks and their segmented systems, a holistic approach to the development of these different factors was needed. This was a better guarantee for cumulative benefits than solutions that simply relied on economic liberalization. UNIDO had promoted the national learning process or system supporting interaction between factors and actors in the interest of collective efficiency. This is particularly useful for producers in LDCs, whose low absorptive capacities for learning and knowledge were directly correlated with the difficulties they faced in enhancing their productive capacities.

24. An effective industrial policy response to competitive pressures required that decision makers - governments, private sector enterprises and support institutions – worked together to determine how industry could move up the value chain in a competitive environment.

25. UNIDO had adopted a methodology based on the synergies between the promotion and gradual upgrading of local technological content on the one hand and moving up the value chain on the other. The approach acknowledged that: (a) competition took place in global production networks and segmented systems; and (b) the private sector derived major benefits from participating in the global market. To move forward, it encouraged partnership and cooperation at both the enterprise and institutional levels. At the enterprise level, UNIDO particularly emphasized the promotion of clusters of SMEs, in which firms networked for mutual benefit. Special attention should be paid to the priority sectors and crosscutting issues already identified in APCI, to increase Africa’s participation in the both local and global production systems.

26. To achieve that, UNIDO proposed the “3L” approach. The overall objective was to transform comparative and competitive advantages into cumulative advantages for Africa. Three key steps were essential for enhancing productivity at the local, regional and global levels:

- i) Linkages: improving internal and external linkages in building competitive productive capacities and capabilities;
- ii) Leverage: leveraging growth by reducing barriers to competition at all levels; and
- iii) Learning: promoting a learning and innovation culture through clustering and networking approaches.

27. Those three steps would support the emergence of an innovation culture and innovative processes, while generating value-added in each segment of the production network. The major change over previous “stand-alone” approaches was the integrated manner in which development stakeholders, including the private sector, promoted comprehensive programmes.

28. UNIDO would focus on NEPAD priorities, with special consideration to regional integration and cooperation. Cooperation among African development stakeholders in the preparation of comprehensive programmes, with NEPAD covering both sectoral and crosscutting issues, was the way forward.

29. Subsequent to the above, presentations were also made on the “Egyptian Technology Transfer Contents” and on “The Egyptian Industrial Modernization Programme”.

### **Working Group II: Building Trade Capacity**

30. The presentation stressed the role of trade in stimulating growth and fighting poverty, and reviewed the key trade and development challenges faced by African countries. Data on African trade were presented and the supply capacity constraints and lack of conformity to standards which hindered access to export markets for African commodities and industrial products were discussed. An initial report on a comprehensive UNIDO assessment of the standards and conformity infrastructure in Africa was presented. This report concluded that African countries needed to make major investments in their standardization, metrology and conformity assessment infrastructure in order to become more competitive in international markets. Those investments were costly, but the trade capacity building (TCB) efforts of developing countries were supported in many ways by the international community.

31. UNIDO's approach to and strong experience in TCB, which was further developed in response to the Doha Development Agenda, was then described, along with UNIDO's involvement in TCB in Africa. It was pointed out that UNIDO's efforts made the organization the largest UN provider of technical cooperation in that field.

32. Finally, the key issues to be addressed by the Working Group were presented.

33. In line with this presentation, the Head of the Egyptian Commercial Service, Africa Section, made a presentation entitled: “Coordination between Regional Communities”. He discussed participation in COMESA and other communities such SADC. He stressed the major achievements of the last five years and the importance of focusing on mechanisms for coordination. He analyzed the exports from the group, with Angola as the top exporter, as well as intra-COMESA trade. He also referred to the creation of an Africa Economic Community, for which mechanisms must be established.

34. The Chairman of the Egyptian Quality and Standardization Organization (EOS), addressed problems related to conformity with international standards, stressing the progress made so far and especially the relevance of support institutions in this field for exports. The importance of promoting conformity to standards was underlined by their positive impact on Egyptian exports.

35. A statement by a representative of the private-sector Egyptian furniture export council confirmed the findings of UNIDO that the manufactured exports of Egypt and Africa as a whole were very limited. Market access problems were detected during trade fairs and trade events on furniture from Africa. Apart from the technology gap, the inability to meet standards was obviously a problem. While the creation of five technology transfer centres for furniture helped to close the technology gap and overcome quality problems, Egyptian laboratories were not accredited so that tests must be made in the EU at high cost. Technology centres were now also being created for products such as marble and food. The

representative stressed that the private sector must act to overcome those problems and hoped for a large participation of the private sector in CAMI.

36. The representative of UNECA made a presentation on intra-Africa trade, indicating that, over the past 40 years, the structure of exports of most African countries had been characterized by primary products. Over 80 % of export earnings were derived from primary commodities, and imports were heavily dominated by manufactured goods. She stressed the need to enhance regional economic communities and the integration of sub-regional markets.

37. The way forward, according to UNECA, lay in speeding up trade liberalization, also at the sub-regional level, and in harmonizing trade and industrial policies, removing duplication, harmonizing investment codes and factor mobility, and promoting genuine unification of markets. In addition, major investments were needed in transport, communication, and other physical infrastructure to cut cost of doing business in Africa, advancing the goals of trade expansion and market integration within communities. Likewise, African countries must develop capacities to diversify production and exports, encouraging inter-sectoral linkages and cross-border private investment in industry, agriculture, and infrastructure.

38. Finally, the representative of UNECA highlighted the need to increase competitiveness and to promote new products, markets and ways of doing business. A programme to overcome the shortcomings of individual countries should cover the following elements: policies, capacity-building programmes, dissemination of information on trade opportunities and regulations, and monitoring of progress towards competitiveness on the basis of development indicators.

39. In his presentation, the representative of the AU indicated that it was important to create backward and forward linkages through TCB in order to break the vicious circle of economic stagnation. He stressed that the role of industrialization was to modernize other sectors of the economy. He concluded by underlining that a trade surplus was needed to build up productive capacity, and thus to accelerate development.

40. The Director of ITC made a comprehensive presentation of the role of ITC, focusing on issues including packaging, e-business and indicating ITC's focus on business community development. The Director showed that it matched UNIDO's '3C' TCB approach, based on competitiveness of productive capacities, conformity to standards and connectivity to markets, identified complementarities and suggested stronger cooperation in Africa between UNIDO and ITC. ITC had a clear and recognized mandate from the WTO Ministerial Meetings and from the UN General Assembly as a premier trade-related technical assistance agency, with a long involvement with the Africa continent and very strong capacities with regard to trade in both goods and services. The Director added that ITC had a micro focus on the business sector, particularly SMEs, for which comprehensive market development toolkits were available, using modern information technologies. ITC also had the largest information base on trade statistics and on market conditions and constraints.

41. The Chairman of EOS made a presentation on conformity to international standards, focusing on harmonization at the regional level and cooperation within the African Regional Standards Organization (ARSO). He reported on the EOS technical cooperation structure and capability. EOS had developed and published 7,000 standards. He made clear that lack of conformity meant loss of market shares and led to health and environmental risks. Within an EU funded project, EOS focused on harmonization of standards in priority trade sectors. ARSO had limited funds, and would need more support. The Chairman indicated ways to

improve its effectiveness and allocate more resources to standards and quality improvement; those were needed for the removal of technical barriers to trade (TBT) and to ensure compliance with sanitary and phyto-sanitary (SPS) agreements.

42. A rich debate on a number of issues highlighted in the presentations followed. One delegate mentioned how to encourage Africa countries participate in debate on TBT/SPS matters. The ministers should be advised to take measures that would avoid dumping of low quality products in their countries. The ARSO Secretary General stated that ARSO was empowered to coordinate standards activities not by developing new but by harmonizing standards, facilitating free movement of goods of in Africa and recognizing of tests and quality marks. He indicated that in 2008 Africa would have a quality mark – a move of critical importance standards harmonization.

43. Problems in Africa related to declining supply capacity were also discussed. Questions were asked about the mechanisms AU had in to develop a policy to attract financial support to avoid further decline. It was pointed out that countries in other regions had been able to attract international support to address issues of productivity as well as TCB and market access. A representative from the African private sector emphasized two important elements in TCB: how to integrate small suppliers (at the artisan level) with SMEs and industry at large, and how to create productivity and quality centres to facilitate technology transfers.

### **Conclusions and Recommendations of the Working Groups**

44. The main conclusions and recommendations of the Working Groups were summarized as follows:

- i) For economic growth, sustainable employment and the achievement of the MDGs, an expansion of industrial production and trade in manufactures was needed. African countries lacked the required capacities, as well as capacities to comply with international standards and conformity assessment procedures. Therefore, they were unable to exploit the opportunities that existed in preferential trade agreements and global markets in general.
- ii) To ensure that the supply-side constraints were addressed, they should be raised as part of the international trade debate within the Doha Development Agenda.

45. To make progress towards integrating Africa into the global economy, taking into account the challenges faced by African countries, the meeting stated the following:

a. “We call on the CAMI Bureau, operating within the context of the AU/NEPAD institutional framework, to establish a core group which will coordinate the promotion of APCI and related regional and sub-regional programmes with UNIDO support. It is further recommended that governments and RECs establish similar core groups;

b. We undertake to give top priority to creating a favourable climate for investment in order to overcome supply-side constraints, and to strengthening systems to overcome barriers to trade in the international development agenda and specifically in the Doha Development Agenda and the planned Aid for Trade. Furthermore, to report on the recommendation of CAMI-17 to the other AU organs and ensure proper coordination between Industry and Trade and to this end to work closely with the private sector;

- c. We reiterate the commitment of our governments and call on our development partners to urgently strengthen the African standardization and conformity assessment infrastructure and increase the harmonization of standards in Africa. Action is needed at the national, regional and continental levels, and should be based on UNIDO's recognized experience in Africa, as exemplified by the UEMOA quality programme. There should be co-operation with regional and international technical agencies, such as ARSO, ISO, the International Laboratory Accreditation Council (ILAC), the International Accreditation Federation (IAF), and the International Organization for Legal Metrology (OIML);
- d. We commit ourselves to develop and apply, with the support of development partners, the value chain approach to quality, upgrading and productivity, in order to strengthen African competitiveness and market access. This can be achieved by building inter-industrial and inter-sectoral linkages at the regional level, and by increasing the transformation and processing of priority commodities and raw materials, thus enhancing value-added exports and employment;
- e. We undertake to scale up support to SMEs and facilitate access to export markets through technology, skills, management, and quality upgrading, the creation of export consortia, and the promotion and establishment of centres of excellence (for productivity, quality and technology) at national and regional levels, in a collaborative effort between governments, the private sector and development partners;
- f. We commit ourselves to set up mechanisms for improving coordination and synergies among African countries in the fields of technology management, innovation, productivity, standards and conformity assessment. This should be done with the support of UNIDO, ECA and other UN agencies such as ITC, FAO, and UNCTAD. It should include cooperation with WTO, bilateral and multilateral donors and regional/international finance institutions, to avoid duplication and take advantage of synergies, expertise and best practices;
- g. Taking into account the work already undertaken at the national and sub-regional levels resulting in APCI, which has been adopted by the AU as the industrialization arm of NEPAD, we recommend that national and sub-regional programmes be elaborated on as soon as possible. In this context, specific programmes should be developed for post-conflict and land-locked countries in Africa;
- h. We commit our governments and RECs to take ownership, in close cooperation with private sector, of their productive and trade capacity building programmes, as well as in upgrading production capacities with the support of UNIDO;
- i. The National Governments and the RECs, in close cooperation with the private sector, have to take the initiative for the development of programmes, building on the regional road maps already existing or to be elaborated, and the leadership in the mobilization of required resources, with the support of UNIDO and of other international organizations. To further facilitate funds mobilization, we recommend that close cooperation should be established with the development partners, already at the stage of programmes formulation. In this regard, close relationship should be established with development finance institutions”.

#### **IV. Discussion on Possible Programmes and Fund Mobilization Strategies**

46. In leading the discussion, the UNIDO representatives stated that funds were not likely to be available for general initiatives. It was mentioned that recently, donors were more and more interested in detailed programmes/projects, the formulation of fully-fledged programme documents was a preliminary step to funds mobilization.

47. It was indicated that many opportunities existed at the level of the RECs, but their capacities to formulate programmes needed to be strengthened. UNIDO could assist in translating ideas into detailed projects for submission to donors. It was recommended that UNIDO set up a preparatory assistance facility for that purpose.

48. The meeting was informed that the Investment Climate Facility was operational and open for proposals that aimed at removing constraints in the investment environment. In this connection the UNIDO-supported AFRIPANET network could play an important role. That Internet-based platform, which was available to all countries and institutions, should be brought to the attention of the Ministers of Industry as a tool to facilitate investment at the regional and country levels. UNIDO was requested to assist countries and their institutions to identify constraints in investment and help build capacities at the regional/national levels. The role of the state in investment promotion was highlighted.

49. In concluding, the following views were expressed:

- Technical assistance programmes/projects should help to create investment opportunities for the African private sector.
- ITC's experience under the Integrated Framework (IF) sponsored by the Bretton Woods institutions could serve as a model to be followed by UNIDO
- More information was requested on the work already carried out under APCI, with particular regard to the activities that remained to be done and who was expected to implement them.
- APCI was a very comprehensive framework that was difficult to market as such. It needed to be translated into specific programmes/projects for regional and country implementation. Since ECOWAS was setting up a project infrastructure facility, it was recommended that UNIDO, as a specialized agency for industry, should assist ECOWAS in formulating projects. It was reported that a memorandum of understanding was being negotiated.
- The UNIDO representatives took note of the requests for assistance in capacity building and stressed the fact that most of the activities undertaken by the organization related to those areas. They further confirmed UNIDO' s strong commitment to the development and implementation of APCI, and that the initiative was fully integrated into UNIDO' s activities. It was highlighted that the APCI road maps were a top priority on the organization's agenda. It was finally pointed out that funds mobilization requires full and active participation of all country stakeholders. Donors paid greater attention to requests originating from countries than from UNIDO, and were more likely to fund programmes/projects that could be regarded as a priority for the country as a whole rather than for individual ministries.

- It was indicated that, to be successfully funded, productive capacities must be retained as regional priorities for the APCI programmes/projects, and that countries must show commitment at the national level by pledging indigenous resources.



### Annex III

#### List of Participants

No.	Minister	Country / Pays	Delegations
1	1	Algeria	H.E. Mr. Mahmoud KHOUDRI, Minister of Industry
2		Algeria	Mr. Zeghalache MOSTEFA, Minister Counsellor
3		Algeria	Mr. Rachid MEKSEN, Director-General, Industrial Promotion, Ministry of Industry
4		Algeria	H.E. Mr. Abdelkadar HADJAR, Ambassador of Algeria in Egypt
5		Algeria	Mr. Karim SAID, Director of Protocol
6		Algeria	Mr. Mohamed Larbi ABDERRAHMANI, Counsellor, Communication and Information
7	1	Angola	H.E. Mr. Joaquim Duarte da Costa DAVID, Minister of Industry
8		Angola	Mr. Barros Bebiano José LICENCA, Executive Secretary of the National Commission for UNIDO
9		Angola	Mr. Jacinto RANGEL NETO, Counsellor, Head of the Department of the UN, Ministry of Foreign Affairs
10		Angola	Mr. Joao Manuel SEBASTIAO NETO, Second Secretary, Permanent Mission of Angola, Vienna, Austria
11		Angola	Mr. Manuel DOMINGOS, Minister Counsellor
12		Angola	Ms. Cremilde RANGEL, Assistant to the Minister, Ministry of Industry
13		Angola	Mr. Antonio M. SAUDANADA, Ministry of Industry
14		Angola	H.E. Mr. Pedro Hendrik Vaal NETO, Ambassador of Angola in Egypt
15		Angola	Mr. Pedro MUAMBA, Executive Secretary, Embassy of Angola in Egypt
16		Angola	Mr. Jaunto Ranghe L. CORDEIRO NETO, Counsellor
17		Benin	Mr. Gafari BELLO, Director of Industrial Development
18		Benin	Mr. Latif FAGBEMI, Director of Cabinet
19		Burkina Faso	Mr. Adama TRAORE, Director-General of Industrial Development
20		Burkina Faso	H.E. Ms. Sophie SOW, Ambassador of Burkina Faso in Egypt
21		Burkina Faso	Mr. François Xavier OUEDRAOGO, Commercial Attache
22		Burundi	Ms. Valerie SINIREMERA, National Expert,
23	1	Cameroon	H.E. Mr. Charles SALÉ, Minister of Industry, Mines and Technological Development
24		Cameroon	H.E. Mr. Mfouayo Ismaila MOUCHILI, Ambassador of Cameroon in Egypt
25		Cameroon	Mr. Claude JUIMO MONTHE, President of the Chamber of Commerce, Industry, Mines and Handicraft of Cameroon (CCIMA)
26		Cameroon	Mr. Oumarou HAYATOU, Chargé de Mission
27		Cameroon	Mr. Samuel NOUMSI, Chief of the Promotion and Industrial Cooperation Group, Ministry of Industry, Mines and Technological Development
28		Cameroon	Mr. Saidou Abdoulai BOBBOY, Secretary General of CCIMA
29		Cameroon	Mr. Saidou ROUFAOU, Chamber of Commerce, Industry, Mines and Handicraft of Cameroon (CCIMA)
30		Cameroon	Mr. Nzume Joe EWANG, Minister Plenipotentiary
31	1	Central Africa	H.E. Ms. Emilie Béatrice EPAYE, Minister of Industry, Trade and SMEs
32		Central Africa	Mr. Martial NDOUBOU, Charge d'Affaires
33		Central Africa	Mr. Lamy BANAFIO, Second Secretary

34		Central Africa	Mr. Jacques NYETOBOUKO, Attache Consulaire
35		Chad	Mr. Atidjani Abderamane NOURENE, Secretary General, Ministry of Commerce and Handicraft
36		Chad	Mr. Mahamat Ahamat DALLAH, Counsellor, Ministry of Economy, Plan and Cooperation
37		Chad	Mr. Fadoul Djouma ADAM, Economic Counsellor
38		Chad	Mr. Bouroumdou NALOUM, First Counsellor
39		Comoros	Mr. Oubeidillah CHARIF, Director of Industry
40		Congo, Rep.	Mr. Lambert BISSEYOU, Director of Cabinet
41		Congo, Rep.	Mr. Emmanuel GANGUIA, Director-General of Industry
42		Congo, Rep.	Mr. Jean PINDA-NIANGOULA, Economic Counsellor of the Minister of Industry
43		Congo, Rep.	Mr. Tsafi Jules CHRISTIAN, Counsellor, Embassy of the Rep. of Congo in Egypt
44		Congo, Rep	Mr. Oko Damase RAOUL, Chargé d'Affaires
45		Congo, Rep.	Mr. Joseph AKOUELI, First Secretary
46		Congo, Dem. Rep.	H.E. Mr. Kamumu Leyam's BERTIN, Ambassador of the Democratic Republic of Congo in Egypt
47		Congo, Dem. Rep.	Mr. Frederic Christophe MILAMBO MBOMBO, Minister Counsellor in Charge of Industry
48		Congo, Dem. Rep.	Mr. Katombe N. HONORE, Counsellor, Embassy of the Democratic Republic of Congo in Egypt
49		Congo, Dem. Rep.	Mr. Masemgu Kongolu CHAMIAL, First Secretary, Embassy of the Democratic Republic of Congo in Egypt
50		Congo, Dem. Rep.	Mr. Lokwa LOMA, Director of Cabinet, Ministry of Industry
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52		Cote d'Ivoire	Mr. Mougo KOMENAN, Director of Industrial Activity, Ministry of Industry and the Private Sector Promotion
53		Cote d'Ivoire	Mr. Edmé KOFFI, Counsellor, Permanent Mission of Cote d'Ivoire in Austria
54		Cote d'Ivoire	Ms. Christine SYAPI, Counsellor
55		Djibouti	Mr. Ali AHMED, Secretary General, Ministry of Trade and Industry
56	1	Egypt	H.E. Mr. Rachid M. RACHID, Minister of Trade and Industry
57		Egypt	Dr. Mahmoud EISSA, Chairman of the Quality and Standardization Organization
58		Egypt	Dr. Ashraf RABIE, Head of Egyptian Commercial Service
59		Egypt	Dr. Hany BARAKAT, First Undersecretary and Head of the Technology Development Department, Ministry of Trade and Industry
60		Egypt	Mr. Haytham Ahmed DEYAB, First Undersecretary/Executive Director, Ministry of Trade and Industry
61		Egypt	Mr. Taher Ahmed ARAFAT, Ambassador, Egyptian Ministry of Foreign Affairs
62		Egypt	Mr. Hassan Gafar LASHEAN, Director General, Ministry of International Organizations
63		Egypt	Mr. Yasser Mohamed ATEF, Minister Plenipotentiary
64		Egypt	Ms. Rawia Farahat HUSSEIN, General Manager of Research Department, Ministry of Trade and Industry
65		Egypt	Mr. Mostafa ABD EL KARIM, Director SEMAF
66		Egypt	Mr. Hosny Mohamed HASSAN, Engineer SEMAF
67		Egypt	Mr. Mamdouh THABET, Chairman of Leather Tannery Chamber
68		Eritrea	Mr. Taddesse WOLDEYOHANNES, Director-General, Ministry of Industry
69		Eritrea	H.E. Mr. Mahmoud Omar CHIRU, Ambassador of Eritrea in Egypt

70		Ethiopia	H.E. Mr. Ibrahim I. IBRAHIM, Ambassador of Ethiopia in Egypt
71		Ethiopia	Mr. Giema BACCHIA, First Secretary, Embassy of Ethiopia in Egypt
72		Gabon	Mr. Severin Emame MBA, Director-General of Industry
73	1D	Ghana	H.E. Ms. Gifty Ohene KONADU, Deputy-Minister, Ministry of Trade and Industry
74		Ghana	Mr. Robert Baffour TANDOR, Deputy Chief Industrial Promotion Officer
75		Ghana	H.E. Mr. Akilaga AKIWUMI, Ambassador of Ghana in Egypt
76		Ghana	Mr. Kojo YEBOAH-ASUAMAH, Counsellor
77		Guinea	Mr. Pepe GUILAVOGUI, Industrial Counsellor, Ministry of Industry, Trade and SMEs
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80		Kenya	Ms. Pamela Adhiambo DEDE, Deputy Director of Industries
81		Kenya	Ms. Kerubo OMURWA, Commercial Attaché
82		Kenya	H.E. Ms. Mary Donde ODINGA, Ambassador of Kenya in Egypt
83		Lesotho	Ms. Mabaiti M. MOTSAMAI, Director of Industry
84		Lesotho	Mr. Mphophe MAPHIKA, Industry Development Officer
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86		Liberia	Mr. Momo SUMOWALT, Charge d'Affaires, a.i.
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88		Libyan Arab Jamahiriya	Mr. Ahmed M. ACRAMI, Director, Ministry of Industry
89		Libyan Arab Jamahiriya	Mr. Abdul Hamid EL SHARIF, General Manager, Industrial Information Center
90		Libyan Arab Jamahiriya	Mr. Essam BEN GALIL, Counsellor, Embassy of Libya in Egypt
91		Libyan Arab Jamahiriya	Mr. Kalifa Shebani BASHER, Manager of Companies
92		Libyan Arab Jamahiriya	Mr. Ahmed Alabed RAMMAH, Manager of Secretary Office
93		Madagascar	Mr. Alfredo Scheller TSARAMODY, Director of Environment Technology, General Direction of Industry
94		Malawi	Ms. Margaret KAMOTO, Counsellor
95		Malawi	Mr. Christopher Cyprian KACHIZA, Director of Industry, Ministry of Industry, Trade and Private Sector Development
96		Malawi	Mr. Suse Kedron CHISALE, Director of Planning, Ministry of Science and Technology
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98		Mali	Mr. Mamadou KEITA, Technical Counsellor
99		Mali	Mr. Hamadou Albachir TOURE, First Counsellor
100		Mali	H.E. Mr. Mamadou KABA, Ambassador of Mali in Egypt
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102		Morocco	Ms. Zahina OUHHABI, Trade Counsellor
103		Morocco	Mr. Mossine SEMMAR, Director of Industrial Planning and Studies
104		Morocco	Mr. Taoufiq MOUCHARRAF, Chief of the Industrial Planning Division
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106		Mauritania	Mr. Ould ARAFA, Technical Adviser to the Minister
107		Mauritania	Mr. Mohamed Salem OULDMAMOUNE, Director of Industry
108		Mauritius	Mr. Sameen GAFFAR, Second Secretary, Embassy of Mauritius in Egypt
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110		Mozambique	Ms. Nilisa Sandra MIQUIDADE, Deputy National Director of Industry

111		Mozambique	Mr. José António J. NHALUNGO, Counsellor, Embassy of Mozambique in Egypt
112		Niger	Mr. Jenome Oumanou TRAPSIDA, Director of Industrial Development
113		Niger	Mr. Ibrahim Issa BACHAROU, Technical Advisor
114		Niger	H.E. Mr. Mouloul AL HOUSSEINI, Ambassador of Niger in Egypt
115	1	Nigeria	H.E. Mr. Fidelis TAPGUN, Honourable Minister of Industry
116		Nigeria	H.E. Mr. Biodun OWOSANI, Ambassador to UNIDO, Vienna, Austria
117		Nigeria	Mr. Mohammed Ghali UMAR, Ambassador, Embassy of Nigeria in Egypt
118		Nigeria	Mr. Peter A. ONWUALU, Professor, Director-General, Raw Materials Research and Development Council
119		Nigeria	Ms. Aisha DANKANI, Director (PRS), Ministry of Industry
120		Nigeria	Mr. Raymond IHENACHO, Director, Research Coordination, Raw Materials Research and Development Council
121		Nigeria	Mr. Joseph A. OMEDE, Minister Counsellor, Embassy of Nigeria, Vienna, Austria
122		Nigeria	Mrs. Rachel Icai KOTSO, Assistant Chief Scientific Officer, Raw Materials Research and Development Council
123		Nigeria	Mr. David ATTAH, Assistant Chief Administrative Officer, Ministry of Industry
124		Nigeria	Mr. Olusola ABIOLA, Schedule Officer, Ministry of Industry
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126		Senegal	Mr. Papa Ousmane SEYE, Minister Counsellor
127		Senegal	Mr. Simon DIOH, Technical Advisor
128		Senegal	Mr. Ibrahima BASSE, Director of Industry, Ministry of Industry
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130		Sierra Leone	Mr. Joseph William A. JACKSON, Director of Industry
131		South Africa	Ms. Bharti DAYA, Deputy Director NEPAD Secretariat, Department of Trade and Industry
132		South Africa	Mr. Raymond NGCOBO, Director, Representative of the Enterprise Industry Development
133		South Africa	Mr. Lionel OCTOBER, Deputy Director-General, Department of Trade and Industry
134		South Africa	Ms. Sara DIEN, Economic Counsellor, South African Embassy in Egypt
135	1	Sudan	H.E. Mr. Jalal Yousouf AL-DIGAIR, Minister for Industry
136		Sudan	Mr. Ballal Yousif EL MOUBARK, Representative
137		Sudan	Mr. Shazali Mohamed Abdel MAGIED, Representative
138		Sudan	Mr. Abd El Ghani Abd El Guelil HASSAN, Representative
139		Tanzania	Mr. Adiel Abraham NYITI, Director of Industry
140		Tanzania	Ms. Elizabeth Wilson Zabron MSENGLI, Senior Economist, Ministry of Industry, Trade and Marketing
141		Tanzania	Mr. Amos CHOMBO, Assistant to Mr. H. T. Sumaye
142		Togo	Mr. Outouloum A. SAMBO, Director of Cabinet, Director of UNIDO National Centre
143		Togo	Mr. Koffi Mawuli TAMAKLOE AZAMESU, Director of Industry
144	1D	Tunisia	Mr. Ridha BEN MOSBAH, Deputy Minister of Industry, Energy and SMEs
145		Tunisia	Mr. Mokhtar HAJJI, Deputy Director of Cooperation and External Relations, Ministry of Industry
146		Tunisia	Mr. Abdelaziz Ben ABID, Director, Deputy Minister of Industry, Energy and SMEs
147		Tunisia	Mr. Aboulbaba ZBIDI, Counsellor, Embassy of Tunisia in Egypt
148	1	Uganda	H.E. Prof. Ephraim KAMUNTU, Minister of State for Industry and Technology

149		Uganda	Mr. Cankwo Jogeni OKULO, Ag. Commissioner for Industry and Technology
150		Uganda	H.E. Mr. Omar Migadde LUBULWA, Ambassador of Uganda in Egypt
151		Zambia	Mr. Katunta AUSTIN, First Secretary, Embassy of Zambia in Egypt
152	1	Zimbabwe	H.E. Mr. O. M. MPOFU, Minister for Industry and International Trade
153		Zimbabwe	Ms. Barbara MAPURANGA, Senior Economist, Ministry of Industry and International Trade
154		Zimbabwe	Mr. Tichata Victor HWACHA, Minister Counsellor
155		Zimbabwe	Mr. Stanscaws D. MANGOMA, Deputy Director, Ministry of Industry and International Trade
156		Zimbabwe	Mr. Batiraistte Henry MUKONOWESHURO, Counsellor
			<b>Special Guests</b>
157			Mr. Damian Udenna AGBANELO, African Regional Standards Organization (ARSO)
158			Mr. Toufiq ALI, Ambassador of Bangladesh, Geneva, Switzerland
159			Mr. Alan BRYDEN, Secretary General, International Standards Organization (ISO)
160			Mr. Mansour CAMA, UNIDO Goodwill Ambassador
161			Mr. O. EDACHE, Assistant Director-General, FAO Regional Office, Accra, Ghana
162			Mr. David Lansana KAMARA (ECOWAS)
163			Dr. Ken KWAKU, ICF Executive Secretariat
164			Mr. Chungu MWILA (COMESA)
165			Ms. Josephine OUEDRAOGO, Assistant Executive Secretary, UNECA
166			Mr. Hamed SOW, Director, Centre for the Development of Enterprise (CDE)
167			Mr. Frederick T. SUMAYE, Former Prime Minister of Tanzania, UNIDO Goodwill Ambassador
168			Ms. Elisabeth TANKEU, Commissioner Trade and Industry, African Union (AU)
169			Mr. Bamanga Mohammed TUKUR, Executive President, African Business Roundtable (ABR)
170			Ms. Ralivao Alisoa VOLOLONIAINA, Senior Programme Manager, SADC Secretariat
171			Mr. Hisham GAZAR, Chairman, Piel Color Tannery Union for Leather S.A.E.
			<b>Organizations</b>
172			Mr. Oumar AW, Resident Representative (African Development Bank - AfDB)
173			Mr. Eglal Mohamed ABDELHALIM (AU)
174			Mr. Ibrahima DIALLO (AU)
175			Mr. Hassan ELHASSAN (AU)
176			Mr. Louis SANGARE (AU)
177			Mr. Jacob NYOYO (AU)
178			Mr. David LARISANA (ECOWAS)
179			Mr. Mohamed Ali TOURE (Islamic Development Bank)
180			Ms. Sherine HELMY (IMC)
181			Ms. Magdy Ahmed FARAHAT (International Trade Center)
182			Mr. Siphana SOK (ITC)
183			Mr. Salah M. IDRIS (League of Arab States)
184			Mr. Samuel AYODELE (NEPAD)
185			Mr. George MUDANGE (PTA)
186			Ms. Kaori ISHII (TICAD/UNDP)

187		H.E. Mr. Bouna SEMOU DIOUF (TICAD/UNDP)
188		Mr. Ibrahim TAMPONE (UEMOA)
189		Mr. T. Poukilipo DJATO-KOLANI (UEMOA)
190		Mr. Josue DIONE (ECA)
191		Mr. David KAMARA (ECA)
192		Mr. Mamadi KOUROUMA (ECA)
193		Mr. Kandeh Kolleh YUMKELLA (Director-General, UNIDO)
194		Ms. Haruko HIROSE (UNIDO)
195		Mr. Gustavo AISHEMBERG (UNIDO)
196		Ms. Fatou HAIDARA (UNIDO)
197		Mr. Adrie DE GROOT (UNIDO)
198		Mr. Geoffrey E. MARIKI (UNIDO, Ethiopia)
199		Mr. Akmel AKPA (UNIDO)
200		Mr. Felix UGBOR (UNIDO)
201		Mr. Stefano BOLOGNA (UNIDO, South Africa)
202		Mr. Mohiey BATANOUNY, Project Director (UNIDO, Egypt)
203		Mr. Ahmidou OUAOUICH (UNIDO)
204		Mr. Mohamed-Lamine DHAOUI (UNIDO)
205		Mr. Massata CISSE (UNIDO, Cote d'Ivoire)
206		Mr. David TOMMY (UNIDO, Nigeria)
207		Mr. Alain NICKELS (UNIDO, Senegal)
208		Mr. Ernest N. ALLAI (UNIDO, Guinea)
209		Mr. Mohamed EL GALLAF (UNIDO)
210		Mr. Alain VILLARD (UNIDO, Morocco)
211		Mr. Alessandro PARLATORE (UNIDO, Algeria)
212		Mr. Tichaona MUSHAYANDEBVU (UNIDO, Zimbabwe)
213		Mr. Stefano GIOVANNELLI (UNIDO)
214		Mr. Gerardo PATACCONI (UNIDO)
215		Mr. Yves AMAIZO (UNIDO)
216		Mr. Frank VAN ROMPAEY (UNIDO)
217		Mr. Drinko KUREVIJA (UNIDO)
218		Ms. Liliane Anne BRUCK (UNIDO)

## Annex IV

### AGENDA

#### 17<sup>th</sup> Conference of African Ministers of Industry (CAMI 17)

<b><u>DAY 1 (19/6/06)</u></b>	<p><b>PLENARY – MORNING SESSION</b></p> <p><b>THEME: PRODUCTIVE CAPACITY – AFRICA'S CHALLENGE TO GLOBAL TRADE</b></p>
08:00 – 09:00	Registration
09:00 – 10:00	<p>Opening of the meeting</p> <p>Welcome address by Host Government Statement by Representative of CAMI 16 Chair Statement by Representative of UNIDO Statement by Representative of UNECA Statement by Representative of AU</p>
10:00 – 10:30	<p>Election of Bureau of the Expert Group Meeting Adoption of the Agenda Organization of work</p>
10:30 – 11:00	Tea/coffee break
11:00 – 11:30	<p>Presentation by UNIDO: Implementation of the Africa Productive Capacity Initiative (APCI)</p> <p>Main issues: UNIDO's support to the APCI and APCF APCI Sub Regional Road Maps Development of Regional Programmes</p>
11:30 – 13:00	Discussions
13:00 – 14:00	Lunch break
	<b>AFTERNOON: PARALLEL SESSIONS</b>
14:00 – 16:00	<p><u>Working Group 1: Building Productive Capacity</u></p> <p>Introduction of the issue paper</p> <p>Presentation by Dr. Hany Barakat - First Under Secretary and Head of the Technology Development Department in the Egyptian Ministry of Trade and Industry: "The Egyptian Technology Transfer Centers"</p> <p>Presentation by Mr. Helmy Aboeleish - Executive Manager of the Industrial Modernization Center: "The Egyptian Industrial Modernization Program"</p> <p>Contributions by the private sector</p>
14:00 – 16:00	<p><u>Working Group 2: Building Trade Capacity</u></p> <p>Introduction of the issue paper</p> <p>Presentation by Dr. Ashraf Rabie - Head of the Egyptian Commercial Service: "Coordination between the Regional Communities"</p>

Presentation by Dr. Mahmoud Eissa - Chairman of the Egyptian Quality and Standardization Organization: "Conformity to International Standards"

Contribution by ECA  
 Contribution by AU  
 Contribution by the private sector

16:00 Plenary resumés

16:00 – 16:30 Presentations of report by Working Group 1

16:30 – 17:00 Presentations of report by Working Group 2

17:00 – 19:00 Discussions

**DAY 2 (20/6/06)**      **PLENARY: MORNING SESSION**

09:00 – 09:15 Opening of the meeting by the Chairperson

09:15 – 12:30 Discussions (continued)

12:30 – 13:30 Lunch break

**AFTERNOON**

13:30 – 17:00 Discussions on possible programmes and fund mobilization strategies

13:30 – 18:00 Preparation of Report and Draft Resolutions (by Rapporteur and Friends)

18:00 – 19:00 Adoption of the Report, Recommendations and Resolutions

**DAY 3 (21/6/06)**      **MINISTERIAL PANEL DISCUSSIONS**

**INTERACTIVE HIGH LEVEL SEGMENT AND DIALOGUE AMONG REGIONS  
 ON PRODUCTIVE CAPACITY – AFRICA'S CHALLENGE TO GLOBAL TRADE**

09:00 – 10:30 Welcome address by H.E. Dr. Ahmed Nazif, Prime Minister of Egypt  
 Statement by the African Union  
 Statement by H.E. Mr. Benjamin William Mkapa, Former President of Tanzania  
 Statement by H.E. Mr. Abdou Diouf, Former President of Senegal and President,  
 Organisation de la Francophonie

10:30 – 11:00 Tea/coffee break

Panels

11:00 – 12:00 Panel 1: Theme: Strengthening Production Capacities & Competitiveness

Co-chaired by: Mr. Kandeh K Yumkella, UNIDO Director-General  
 Mr. Jacques Diouf, FAO Director-General

Panelists:

H.E. Minister of Trade and Industry, South Africa  
 Director-General, WTO  
 H.E. Minister of Trade and Industry, Kenya  
 H.E. Minister of Industry, Energy & SMEs, Tunisia  
 H.E. Minister of Commerce & Industry, India  
 Director, Bureau for TICAD/Senior Adviser RBA, UNDP  
 Executive Director, CDE

12:30 – 14:00	Lunch Special Guest Speaker: H.E. Mr. Donald Kaberuka, President, African Development Bank
14:00 – 15:30	<u>Panel 2: Theme: Market Access and Conformity to International Standards</u>  Chairperson: H.E. Eng. Rachid M. Rachid, Egyptian Minister of Trade & Industry  Panelists: President of the Commission of UEMOA Secretary General, COMESA Executive Secretary, UNECA H.E. Minister of Trade and Industry, Ghana H.E. Minister of Commerce, Trade and Industry, Zambia H.E. Minister of Industry & Promotion of Private Sector, Congo Brazaville Executive Head & Chairman, NEPAD Secretary-General, IBERO-American Summit of Heads of States
15:30 – 16:00	Tea/coffee break
16:00 – 17:00	PLENARY: CAMI - MINISTERIAL SESSION  Opening of the Meeting  Welcome Address by H.E. Eng. Rachid M. Rachid, Egyptian Minister of Trade and Industry Statement by Chairman of CAMI 16 Statement by the Director-General of UNIDO Statement by the Commissioner in charge of Trade and Industry of AU Statement by the UNECA  Report of the Chairman of CAMI 16  Election of the Bureau of CAMI 17 Adoption of the Agenda Organization of work
17:00-17:30	Address by Special Guest Speakers  H.E.M. Mahathir, Former Prime Minister of Malaysia Alhaji Bamanga Tukur, Executive President of African Business Round Table
17:30-17:45	Presentation of the Experts' Report
17:45-19:00	Consideration and adoption of CAMI Report and Resolutions
19:00-20:30	Closure of CAMI 17 Meeting  Date and Venue of CAMI 18  Closing remarks by the Director-General of UNIDO Closing remarks by Commissioner of AU Vote of thanks Formal closure of the meeting by Chairperson
20:30 – 21:00	Press Conference
<b><u>DAY 4 (22/6/06)</u></b>	<b>Visit to industrial districts and touristic sites (optional)</b>
DEPARTURES	