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Africa's Priority Position on Economic Recovery (APPER) 1985

This initiative was established to evaluate and analyze the fundamental factors contributing to the ongoing decline in socio-economic conditions across Africa, two decades of post-independence and five years following the adoption of the Lagos Plan of Action. African leaders utilized this Initiative to reaffirm their united commitment to rejuvenating African economies, fostering a genuine development process for the welfare of the African people, and promoting comprehensive economic integration throughout the continent. The essential aspects of this priority program included a gradual commitment of 20 to 25 percent of total national public investment towards agricultural development, a reassessment and execution of strategies for the swift implementation of the Lagos Plan of Action from 1980, an examination of the underlying causes of the persistent growth of external debt and its ramifications on African economies, and an enhancement of collaboration and integration among African nations to strengthen unity and solidarity across the continent.

Questions for consideration: What justifications do African leaders present for endorsing the adoption of APPER? What specific or general factors contribute to the lack of progress in implementing the Lagos Plan of Action, despite its status as the most thorough development agenda supported by African leaders? When they claim that the principles and goals of the Lagos Plan of Action and the Final Act of Lagos are more pertinent now than ever, what implications does this entail? What arguments do they make for increasing public investment in agriculture, and how do they frame the substantial levels of Africa's external debt? In what ways do they advocate for the importance of unity and solidarity among African nations and peoples through strengthened cooperation and economic integration? What do their pledges to enhance transport and communication infrastructure and to adopt strategies for deeper collaboration among nations signify? When leaders highlight the critical role of collective Member State action in addressing the ongoing economic crisis, what responsibilities do they recognize in terms of implementing measures for economic recovery and rehabilitation? How do African leaders describe the continent's condition during the 1980s, several decades after independence and years following the Addis Ababa Convention aimed at unity and development, and what commitments do they make to improve socio-economic conditions across the continent?

In Addis Ababa, Ethiopia, 1985

1. We, the Heads of State and Government of the Organization of African Unity, meeting in Addis Ababa, Ethiopia, from 16 to 20 July 1985, for the Twenty-first Ordinary Session of our Assembly have devoted our discussions mainly to economic issues, in the course of which we have critically reviewed the economic and social crises which confront virtually all our countries.
2. We have examined, in detail, the recommendations of the Seven Member States Steering Committee which we set-up to prepare the basic documents on economic issues for our current Session, and the valuable contribution to the Committees Report made by the Council of Ministers. We express to the committee our appreciation for the quality of work done which has facilitated our deliberations.
3. We also express our appreciation to the ECA Conference of Ministers responsible for Economic Development and Planning whose recommendations made at its Eleventh Meeting conveyed to the Steering Committee and which enriched the recommendations of the Committee. We further express our appreciation to African and International Organizations for their valuable contributions which facilitated the work of the Committee.

4. We are most gravely concerned by the continuing deterioration of our economies which have been severely affected by the deep world economic recession and penalized by an unjust and inequitable international economic system. This situation has been aggravated by unprecedented severe and persistent drought and famine and other natural calamities, such as cyclones and floods. These developments, added to some domestic policy shortcomings, have brought most of our countries near to economic collapse.

5. We welcome the United Nations General Assembly Declaration on the Critical Economic Situation in Africa and the Plan of Action of the Movement of the Non-Aligned Countries to meet the critical situation in Africa.

6. We re-affirm that the development of our continent is the primary responsibility of our Governments and people. We are, therefore, determined to take concrete actions and measures individually and collectively for the achievements of the economic development of our continent in unity and solidarity of African peoples and Member States.

7. While reiterating our full commitment to the principles and objectives of the Lagos Plan of Action and the Final Act of Lagos, which are more valid today than ever before, we have focused our discussions at the present Summit on a priority programme that we will concentrate on during the next five years so as to pave the way for national and collective self-reliant and self-sustained growth and development in our continent. The programme consists of:

- measures for an accelerated implementation of the Lagos Plan of Action and the Final Act of Lagos;
- special action for improvement of the food situation and the rehabilitation of agricultural development in Africa;
- measures for alleviating Africa's external debt burden;
- measures for a common platform for action at sub-regional, regional, continental and international levels; and
- measures for action against the effect of the destabilization policy of South Africa on the economies of Southern African States.

While according to special attention to the priority areas, we recognize the need for parallel and effective support action from all the other sectors, especially transport and communications and industry in order to achieve the immediate objectives that we have set for our countries, which include:

8. Agriculture, which is the dominant sector in our economies, has rapidly deteriorated in recent years. The already declining trend in the production, and productivity of the sector, which was noticeable since the beginning of the 1970s, has been dramatically aggravated by drought and natural calamities compounded by the problem of refugees and displaced persons, thus making almost half of the Member States of our Organization dependent on food aid.

9. We wish to express our profound gratitude to the international community particularly to the United Nations System and hundreds of voluntary organizations and agencies and to millions of people all over the world, who have contributed so generously to Africa's relief. We reiterate our call to the international community to continue to provide adequate humanitarian assistance for the people in the affected countries. We strongly appeal to the international community, especially the World Bank, and the Specialized Agencies of the United Nations system as well as all donor countries to channel funds for African Drought, Famine and Economic recovery through existing sub-regional and regional groupings such as the River Basins and those involved in Multi-national cooperative efforts in Agriculture and Food production. We believe that such direct assistance will eliminate need for further feasibility studies and additional staff recruitment and deployment. Support for on-going projects and programmes already designed and approved by these sub-regional groups will eliminate further delay in getting international assistance directly to the people.

10. We, however, wish to stress that the current battle to save lives and to reduce the impact of hunger and famine should not be the only focus of international support and cooperation. Otherwise, the

international community will be unwittingly contributing to making the emergency a permanent phenomenon. On our part, we are determined not only to cope more efficiently with current and future emergencies but are also determined to go beyond emergency and get to the root of Africa's food and agriculture crisis. We recognize that effective mobilization and judicious exploitation of our national and collective potentials, on the basis of well-formulated development strategies and plans are vital to the eradication of famine and for the control of drought and desertification and for the rehabilitation of agriculture in Africa.

11. In this regard, we commit our countries to the gradual increase in the share of agriculture in national total public investment of between 20 and 25 per cent by 1989.

12. The dramatic increase in the volume of Africa's external debt, and the heavy debt service burden is another source of our profound concern, especially since it represents a heavy drain on the meager foreign exchange resources of our Member States. Indeed, Africa's external debt estimated at US\$158 billion by the end of 1984 and expected to exceed US\$170 billion by the end of 1985, represent a heavy burden on our fragile economies, as it represented 36 per cent of the Gross Domestic Product of our Region in 1984, and the debt service ratio is expected to be much higher than 27 per cent of exports in 1985. Equally disturbing is the inadequacy of the concessional flows which forced a number of African countries to resort to the international financial markets, mainly the private sources with particularly severe terms and conditions for loans. We are concerned that major lenders have in the past deliberately left Africa out of the debt negotiation mechanism established for the developing countries and that the international community continues to give low priority to Africa's external debt crisis. This situation has been aggravated by the fact that 26 of African Member States are categorized as Least Developed Countries (LDCs), the majority of those are living below subsistence level; thus the external debt of many individual African countries is now beyond their capacity to service and pay.

13. We are fully aware of the fact that shortcomings in development policies have contributed to the present debt crisis. However, it is evident that the major causes of our countries' debt servicing problems are external ones, and such causes are unfortunately beyond our control. These include, inter alia, the deteriorating terms of trade and the consequent reduction in export earnings for debt servicing, unprecedented rise in interest rates, sharp exchange rate fluctuations, deteriorating terms of borrowing and the reduction in the flow of concessional resources, the combined effects of which result in net capital out-flow from most of our Member States. In this regard, the 26 African LDCs have been the most seriously affected.

14. We recognize that the external debts are obligations that our Member States have individually contracted, and which they have to honour. But in view of the negative developments in the international economic environment, we call on the international community to genuinely work towards an urgent and lasting solution to Africa's growing indebtedness.

15. We urge developed countries and the multilateral financial institutions to increase, substantially, the transfer of concessional financial resources, including grants, to African countries. In particular, we call on the developed donor countries to urgently implement, without discrimination, UNCTAD Resolution 1/65 (S-IX) on debt and development problems of developing countries.

16. We also call on the developed donor countries to urgently implement, without discrimination, the provisions of the United Nations General Assembly Resolution 39/29 on the Critical Economic Situation in Africa, which inter alia calls for total or partial conversion of Official Development Assistance (ODA) debts into grants.

17. We call for an International Conference on Africa's external indebtedness to be convened as a matter of urgency to provide a forum for international creditors and African borrowers to discuss Africa's external debt with a view to arriving at appropriate emergency, short, medium and long-term solutions to alleviate the problems.

18. The current economic crisis and the deteriorating international economic relations make it imperative for the Member States of our Organization to strengthen cooperation among themselves in order to speed up economic integration and enhance Africa's negotiating ability in international fora and thus ensure that Africa's specific interests are taken into account.

19. We undertake to give highest priority to intra-African co-operation in the implementation of the special Programme of Action for Improvement of the Food Situation and the Rehabilitation of Agriculture in Africa in order to lay the foundation for Africa's food self-sufficiency.

20. We pledge to take action at all levels to improve the transport and communications links and adopt any other strategies which will promote closer co-operation between our countries in the fields of industry, human resources, science and technology, trade and finance.

21. We recognize that the collective effort of the Member States is the most important weapon for tackling the current economic crisis, and Africa is fully aware of its responsibility for adopting measures for its economic recovery and rehabilitation. However, the magnitude of the crisis makes it imperative for the international community to supplement our effort. We, therefore, call on the international community, in particular the developed countries and international development and finance institutions as well as United Nations Agencies, to support Africa's effort to deal with the crisis, in recognition of the specific economic situation of the continent. In this regard, efforts should aim at increasing Africa's production capabilities in the field of food, improving the performance of the transport and communications sector, and acquiring adequate technology, especially for industrial development.

22. We are convinced that the United Nations System, in particular the General Assembly, is an effective forum for sensitizing and mobilizing the international community on the critical economic situation in Africa, and the programme of recovery which we have formulated to deal with it. We, therefore, call for the convening of a special session of the United Nations General Assembly to deliberate on the issues of the critical economic situation in Africa.

23. The policy of aggression by the racist regime of South Africa and its economic and military destabilization of Southern African States calls for our collective effort to resist. To that end, we commit our countries to lend financial and material assistance to these countries to help them meet the heavy cost of destabilization; and we re-affirm our support for the Liberation Movements in their struggle against the racist regime. In this regard, we call upon African institutions and the international community to make their contributions.

24. Furthermore we urge all countries, especially the industrialized countries, financial institutions and transnational corporations to take measures, including effective economic sanctions to force the apartheid regime in South Africa to end its racist policies, its illegal occupation of Namibia and the destabilization of Southern African States. We further urge the international community to give all assistance to the Southern African States in order to help them counter the effect on their economies of sanctions against South Africa.

25. To ensure the implementation of the above programme at national, sub-regional, regional, continental and international levels, we have decided to establish a permanent follow-up mechanism.

26. Determined to face effectively the twin challenges of survival and development confronting our continent, we have adopted the priority programme annexed to this Declaration, and pledge on behalf of our peoples and Governments, to implement individually and collectively the measures contained therein.

27. We are of the firm conviction that the respect of our commitment will lead to the recovery of our economies, the revitalization of a genuine development process to the benefit of our peoples as well as paving the way for an overall economic integration of Africa. [...]

CHAPTER I

The Lagos Plan of Action and the Final Act of Lagos Evaluation and measures for accelerated implementation

I. Activity Report on the Implementation of the Lagos Plan of Action and the Final Act of Lagos

Implementation by member-states

1. Although the philosophy, principles and objectives of the Lagos Plan of Action (LPA) have been accepted by the member-states as a whole, their underlying concerns have neither always been translated into concrete action nor reflected in national development plans of member-states. Indeed, efforts were made here and there to tackle the substantial imbalances which characterized several sectors of the economy, particularly agriculture and food, drought and desertification control, literacy, industry and so on. Nevertheless, if most of the measures recommended in the LPA had been implemented, the ravaging effects of the current world recession and drought on African economies would have certainly been minimized.

2. With respect to the Final Act of Lagos (FAI), the first half of the 1980s had seen the creation of the Southern African Development Coordination Conference (SADCC), the Preferential Trade Area (PTA) for Eastern and Southern African Countries, and the Economic Community of Central African States (ECCAS) and the strengthening of existing economic groupings such as the Economic Community of West African States (ECOWAS), West African Economic Community (CEAO), the Customs Union of Central African States (UDEAC), etc. Similarly, a strong foundation had been laid for the financial resources of the Multinational Programming and Operational Centers (MULPOCs) whose core staff members are now financed under the regular budget of the UN and as a result of which their capacity to promote sub-regional and regional cooperation has increased. As regards sectoral institutions for technical and economic cooperation, they had continued to assist member-states despite their financial difficulties. However, most of these organizations remain in operational owing to the fact that on the one hand, there is inadequacy of financial resources, and on the other, member-states have not respected the commitments they have freely made themselves.

Implementation by African and International Organizations

3. Since the adoption of the Lagos Plan of Action, many African and international organizations have made efforts to implement the Lagos Plan of Action either by undertaking joint programmes with the Secretariats of the Organization of African Unity (OAU) and the UN Economic Commission for Africa (ECA), or in their individual programmes at country level. Most international organizations were already operating in Africa in their specialized areas, and the advent of the LPA appears to have encouraged them to intensify their efforts.

Implementation by OAU/ECA Secretariats

4. The activities of the OAU/ECA Secretariats during the period 1980-1982 to implement the Lagos Plan of Action and the Final Act of Lagos were reported to the Nineteenth Assembly of Heads of State and Government of the OAU. Since then, the two Secretariats have undertaken more activities individually,

jointly, or in cooperation with third-party agencies. The most important of these included the promotion of the establishment of an African Economic Community and the African Energy Commission; activities leading to the establishment of the African Monetary Fund; activities in the transport and communications sector; the promotion of the implementation of the joint programme of the Industrial Development Decade for Africa (IDDA), and provision of Advisory services; reporting to inter-governmental bodies; preparation of technical publications servicing of meetings; provision of grants and fellowships; undertaking fundraising activities and humanitarian operations.

Implementation of the Lagos Plan of Action and the Final Act of Lagos: Obstacles and Constraints

5. Five years after the adoption of the Lagos Plan of Action and the Final Act of Lagos, very little progress has been achieved in the implementation of the Plan and the Act, although the basic strategy of self-reliant and self-sustained development remains valid. In that period of five years, many obstacles and many constraints as well as shortcomings have been encountered. Principal among these have been the following.

6. In the first place, the colonial economic structures inherited by most African countries have proved difficult to be changed radically for African development as called for in the Plan of Action. These colonial economic legacies have been compounded by a host of other related international factors including the collapse in commodity prices, a stagnation and decline in Official Development Assistance (ODA) in real terms, the unprecedented high interest rates, the shift to a regime of sharp fluctuations of exchange rates, and increased protectionism.

7. Secondly, national development plans and annual budgets of most African countries have tended to perpetuate and even accentuate the dependency of our economies through over-reliance on foreign resources (financial and human) and have led to the misallocation of domestic resources through reduced shares for such high priority areas as agriculture, manpower, industry and massive expenditure on foreign consumer goods and non-productive investment projects.

8. Thirdly, lack or inadequacy of skilled manpower within the member-states has contributed to the inability of the African countries to internalize the development process and ensure self-sustained development. As a result of the paucity of skilled manpower, most African countries have imported a large number of foreign high-level technicians and managers.

9. Fourthly, the extraneous factors, not foreseen when the Lagos Plan was adopted, have added to the increasing difficulties of African countries. Such factors include the widespread, severe and persistent drought; the acceleration of the desertification process; persistent and destructive cyclones in the Indian Ocean; and the intensification of destabilization attempts from South Africa on neighboring African countries, especially in the Frontline States.

10. Fifthly, while economic cooperation and integration are central to the strategy of collective self-reliant and self-sustained development, the establishment of new sub-regional economic groupings has followed a very slow path; particularly very little progress has been made in such crucial areas as sub-regional food security arrangements, agronomic research, environmental schemes and projects including desertification, industry, technology, new and renewable sources of energy which are identified as priority areas in the Final Act of Lagos. It could be said that, as in the case of national plans which failed to take account of the Lagos Plan of Action, there has been evidence of either ignorance of the requisites of the Lagos Plan and the Final Act, or sheer inertia or lack of political will or all three in varying measures.

11. Finally, the implementation process has been impeded by structural obstacles (outward-oriented economies, lack of complementarity, narrow economic base, insufficient consideration of the problems of land-locked countries, etc.) as well as political obstacles (conflict situations, inadequate political will, failure to honour commitments made jointly) and extraneous circumstances.

12. It is clear that some of these constraints or shortcomings can, and should be, remedied by African countries themselves, while others are beyond their control and may thus call for concerted international action. In any case, the implementation of the Lagos Plan of Action in the years ahead will remain a challenge which requires consistently conscious action and vigilance on the part of individual African countries and collectively. To this end, appropriate monitoring, surveillance and implementation machinery or follow-up mechanisms should be put in place as a matter of urgency.

II. Economic and Social Situation in Africa 1980-85

1. Since the formulation and adoption of the Lagos Plan of Action and Final Act of Lagos in 1980, the long and pronounced world economic recession from which the developed countries have since recovered, has inflicted untold hardships on already weak African economies. In addition, the impact of drought and desertification further worsened the deteriorating economic and social conditions in Africa. As a result, real regional output fell by 1.3% in 1981, increased by only 1.3% in 1982 and stagnated in 1983 and 1984. In per capita terms, the loss in output is around 10% relative to 1980.

2. The agricultural sector could not achieve the projected growth rate of 4% per year. It managed to achieve only about 1.7% per annum, against a population growth rate of 2.8% per annum. African countries have come to depend increasingly on the import of food and raw materials for agro-based industries.

3. With respect to the industrial sector, the poor performance was caused by lack of imported raw materials and lack of well-defined industrialization policies, strategies, and plans. While most of the industries are operating below 50 per cent of installed capacities, others have had to close down, thus worsening the problem of mass unemployment and external debt. Prominent among other problems were the low level of productivity arising from poor infrastructures, inadequate training and poor management, the small size of domestic markets, slow progress in extending markets through regional cooperation and failure to make any significant breakthrough in the export markets for industrial products.

4. The negative performances by African countries in the economic sectors and the unfavorable balance of payments, including the deteriorating terms of trade, have largely contributed to Africa's worsening debt situation which in turn had adverse repercussions on these same sectors. It is, therefore, a vicious circle. The figures remain alarming with the 1984 external debt standing at US \$158 billion and the 1985 figure projected at US \$170 billion; the intolerable debt service charges which continue to rise faster in Africa than anywhere else, constitute a significant part of the export earnings.

5. Lastly, the unprecedented economic crisis facing Africa has led to an intolerable situation. Millions of Africans see their living conditions deteriorate each day, more so as the rural areas can no longer produce the necessary foodstuffs to meet the demands of a population growing at an annual rate of 2.8 per cent because partly, of rural exodus to the towns by able-bodied persons where job opportunities are scarce.

6. On the whole, the continuing poor economic performance of the African region relates to the unbalanced structure of the African economy which continues to be increasingly extroverted. A lasting solution to these problems will not depend on short term emergency measures such as food aid but on the structural transformation of African economies with emphasis on the development of the required human skills and a minimum industrial base as well as the mobilization and optimum utilization of financial resources all of which are essential for the development of the other sectors, especially agriculture, transport and communications, energy, mining, and construction.

III. Practical Sectoral Measures for the Accelerated Attainment of the Objective of the Lagos Plan of Action and the Final Act of Lagos

In the light of the progress made in the implementation of the Lagos Plan of Action and the Final Act of Lagos, as well as the constraints encountered, as indicated in Sections (I) and (II) above, appropriate, and practical measures have been identified for accelerating the attainment of the objectives of certain priority sectors.

Food and Agriculture

Mobilization of means necessary for the implementation of priority measures in the food and agriculture sector are dealt with in paragraphs 53-79 under "Special Programme of Action for Improvement of the Food Situation and Rehabilitation of Agriculture in Africa."

Industry. Notwithstanding the progress made in the implementation of the programme for the Industrial Development Decade for Africa (IDDA), much more is left to be done especially during the implementation phase (1986-1990) of the IDDA Programme. In the light of the implementation of the IDDA the following specific measures are proposed.

Short-term Measures

A critical assessment should be made of major industrial enterprises in order to rationalize them; Urgent measures should be taken to identify industrial skills and technical capabilities required for the implementation of industrial programmes and projects;

A national programme for industrial maintenance, including the production of spares and replacement parts, should be established, and reinforced at the plant level;

Measures should be taken to promote standardization and quality control on industrial production.

Medium, Long-term Measures

Existing national mechanisms should be strengthened, and new ones established, as need be, to mobilize the entire national capabilities for the identification, preparation, evaluation, negotiation and implementation of projects especially the strategic core industries identified in the programme for the IDDA;

- Governments should adopt appropriate policy and incentive measures to facilitate the participation of nationals in equity capital and management of industrial enterprises;
- Medium and long-term programmes should be formulated and implemented for developing the critical industrial manpower needs at all levels.

Human Resources

The attainment of the objectives of the LPA and FAL depends, in the final analysis, on the development of the wide range of human resources required for the formulation, implementation and monitoring of programmes covering the entire spectrum and Sectoral activities in the economic development process. To this end, the following measures are proposed.

Short-term Measures

- Each African country should undertake a critical assessment of the overall and sectoral manpower requirements for the implementation of its economic development plan and, on the basis of

assessment, re-adjust existing manpower development policies and programmes and institutional infrastructure;

- In the formulation and implementation of manpower development plans and projects, special emphasis should be given to the development of administrative, managerial, entrepreneurial techniques and teaching aids including the use of micro-electronics in accelerating the education process; strengthening of existing institutions and the training of trainers and the management of human resources of development programmes;
- Member-states should provide special incentives to minimize the increase of brain-drain and to ensure the active participation of the entire national technical competence in the economic development.

Medium and Long-term Measures

The institutional infrastructure for manpower development and utilization should be streamlined and reinforced, and innovative approaches to the mobilization of manpower development should be adopted. To these ends, the banking system and business enterprises should participate in supporting training programs while the programmes themselves should give more attention to management and in-service training and retraining.

Science and Technology

8. Experience indicates that no country has attained any break-through in its economic development without the development of minimum science and technology base. To this end the following measures are proposed:

Short-term Measures

- Each African country should reassess its national science and technology programme and realign, streamline it in accordance with its national development objectives, priorities and programmes;
- Each African country should allocate a minimum of 1% of its national GDP to the development of science and technology;
- Emphasis should be accorded to science and technology education and training and the provision of relevant facilities such as laboratories, pilot plants and experimental stations;
- Each African country should take urgent measures to strengthen its capabilities and capacities for negotiating, acquiring and controlling technology flow.

Medium and Long-term Measures

- National mechanisms and institutions should be established to promote the translation of Research and Development results into commercial operations;
- Existing national mechanisms for science and technology information should be strengthened and new ones established where they do not exist for the acquisition, processing, storage, dissemination and exchange of science and technology information;
- Each African country should establish national focal points for the selection and application of new and frontier technologies in economic development;

- Member-states should accord priority to the role of cartography and remote sensing in the exploration, exploitation and development of natural resources by increasing the financial allocation to the sector.

Transport and Communications

African States should

intensify their efforts in financing the UN Transport and Communications Decade in Africa (UNTACDA) projects, (1978- 88);

make efforts to provide OAU and ECA with all information on projects;

give emphasis to maintenance and rehabilitation.

Measures should be taken, and incentives given for strengthening existing or establishing new national and sub-regional construction companies;

Appeal to donor countries and international financial institutions to participate in the technical consultative meetings, increase their support for the Decade projects.

Trade and Finance

Domestic Trade

African countries should take measures to improve the distribution channel for domestic trade and improve marketing arrangements through credit facilities. They should also undertake to reverse the present consumption patterns in favour of domestically produced goods.

Intra-African Trade

Measures to increase intra-African trade should include undertaking of supply and demand studies in order to identify the potential of trade and a comprehensive study on the factors affecting intra-African trade.

Finance

Measures to promote financial co-operation at the sub-regional level should include the following:

- increased utilization of existing clearing house facilities.
- studies on linking sub-regional clearing and payments arrangements into an African payments union should be started;
- coordinated measures should be taken to establish financial markets at the national, sub-region and regional levels;
- efforts to facilitate the establishment of an African Monetary Fund should be increased and sustained.

Measures to Build Up and Strengthen Economic and Technical Co-Operation Including the Creation of New Institutions and Strengthening Existing Ones

The measures adopted were

African countries should facilitate the implementation of the Fund for technical Cooperation among African countries set up by the Twelfth Summit of the OAU Assembly of Heads of State and Government;

- OAU and ECA should take all necessary steps to institutionalize technical cooperation among African countries within a multinational framework.

Environment

Emphasis should be placed on measures to be taken at national, regional, continental and international levels to intensify the struggle against drought and desertification and notably the implementation of measures adopted in the "Special Programme of Action for the Improvement of the Food Situation and Rehabilitation of Agriculture in Africa."

African Least Developed Countries

The following recommendations are made to enable the African least developed countries to attain the objectives of the Substantial New Programme of Action (SNPA) within the framework of the Lagos Plan of Action.

At the national level

The African least developed countries, which have not yet done so, are urged to implement the national measures envisaged in the SNPA, designed to accelerate the economic and social development.

At sub-regional and regional levels

Sub-regional and regional economic cooperation schemes among African countries should take into account the special situation of the African least developed countries by according to these countries, as appropriate, internationally agreed measures in favour of least developed countries.

At the international level

- International donor community is urged to show the required political will at the forthcoming mid-term global review of the SNPA scheduled for 30 September to 11 October 1985 and to make available the necessary investment resources and other support measures in the context of the SNPA so as to ensure the programmes fullest and expeditious implementation during the second half of the 1980s;
- Developed donor countries, especially those which have not yet done so, are urged to take necessary measures aimed at attaining the SNPA targets of 0.15 per cent of donor GNP as ODA or to double their ODA to the LDCs. Those donor countries which have already achieved the SNPA aid target are requested to increase their assistance to the LDCs and to make available such assistance as are adaptable to the special needs of the LDCs. Flexible aid procedures and modalities to speed up disbursement of committed funds should be adopted;
- Developed countries should respond positively to the requests of African LDCs for the alleviation of their debt burden and if possible, the outright cancellation of ODA loans;
- The IMF is invited to give special consideration to the African least developed countries in the utilization of the IMF Compensatory Financing Facility (CFE) for short falls on the export earning of

these countries in view of the heavy dependence of the African Least Developed Countries on the export of narrow range of primary commodities for their foreign exchange resources.

- The Mid-term global review of the SNPA should endorse the proposals included in the Memorandum of the Conference of Ministers of African Least Developed Countries so as to ensure the effective and expeditious implementation of the SNPA during the second half of the Decade.

Energy

At the national level

Energy planning should be integrated into the overall development planning at the national level with particular emphasis on training facilities for the systematic development of all levels of manpower resources for energy production and utilization.

At the sub-regional and regional levels

greater cooperation should be fostered among Member states in the subregion and region through harmonized policies, joint exploration, exploitation and development or commissions to discuss problems of common interests and institutions to conduct Research and Development work , training and provide advisory services;

sub-regional and regional institutions such as ECOWAS, ECCAS, PTA, and SADCC should assist in fostering cooperation among member-states in the field of energy particularly in the manufacture of energy production, transmission, and utilization equipment.

At the continental level

The establishment of the African Energy Commission be for to responsible coordination of activities in the field of energy should be expedited.

Women and Development

The role of women in development must be taken seriously into account in development planning and in the disbursement of resources, both as contributors to and beneficiaries of development efforts as recommended by the "Arusha Forward-looking Strategies for the Advancement of Women in Development Beyond the UN Decade for Women."

In view of the importance accorded to food self-sufficiency and the acknowledged role of women in food production in the continent, the pivotal role of women in this sector must be recognized and encouraged.

Population and Development

Population issues should be taken into account in the formulation and implementation of concrete policies and programmes with a view to accelerate socio-economic development at national, sub-regional, regional, continental and international levels. In addition to the implementation of the recommendations contained in the Kilimanjaro Programme of Action and World Population Plan of Action the following measures should be taken:

At the national level

formulation of national population policies;

- formulation of programmes to reduce current high level of infant, childhood and maternal mortality and morbidity particularly in rural areas, as well as formation of national family planning programmes where necessary;
- establishment of National Population Commissions;
- formulation of a comprehensive rural development policy to stem the rural urban migration;
- introduction of context-specific population redistribution/resettlement policies;
- appropriate population legislation, population education and information programmes;
- population data collection, analysis, training, and research.

At sub-regional, regional, and continental levels

- technical co-operation between and among sub-regional and regional organizations dealing with population and development;
- technical assistance to African Governments by regional and continental organizations in implementing the Kilimanjaro Programme of Action and World Population Plan of Action according to national socio-economic conditions;
- establishment of an OAU Population Commission to co-ordinate the activities of National Population Commissions; and
- seeking and sustaining, as required, funding sources for population activities.

CHAPTER II

Special Programme of Action for Improvement of the Situation and Rehabilitation of Agriculture in Africa

Africa is facing an unprecedented economic and social crisis. Food availability per inhabitant has continued to fall during the last two decades and the Continent, today, is facing the worst food crisis of its history. Around 150 million people suffer from food shortages and, in some cases, famine. Some twenty countries are seriously affected by the food crisis and among others, there are many which are, more or less, threatened briefly. If today the situation is alarming it may become catastrophic in the future. In 1980 Africa met 86% of its food requirements; this rate will fall to 70% by the end of the century if appropriate policy measures are not taken.

Particularly, with regard to the countries hit by the drought and desertification, the control of these scourges is a prerequisite for any improvement of the food situation and rehabilitation of agriculture. Although the phenomenon of drought affects other regions, what makes the African case so glaring is the African countries' low capacity to respond effectively both individually and collectively. Beyond the immediate problems of survival of millions of human beings threatened by famine, which call for African and international solidarity, Africa should rethink the orientation and long-term management of its economy and development by drawing up the necessary strategies and policies based upon its own traditions. Africa has adequate potential, the judicious exploitation of which should serve as a basis for its development. The Lagos Plan of Action serves in that respect as a framework to which African Heads of State and Government have committed themselves.

I. Immediate measures to combat food emergencies

At the national level

Establishment of an early warning system based on the following parameters:

- crop conditions: collection and processing of agro-meteorological data as well as data on seeds and fertilizers;
- analysis of price trends;
- impact of movement of people within and outside national boundaries;
- functioning of the market system;
- nutritional status;
- emergency food reserves; and
- uncontrolled border trade.

Emergency measures

- urgent announcement of food emergencies;
- rapid assessment of overall food and other relief requirements of the affected population;
- mobilization of the required material and human resources as well as internal and external emergency assistance including food; feed, medicine, and technical expertise, as well as provision of adequate water supply for drought-stricken population;
- rationalization of channels of distribution and strengthening of logistics and other supporting services to ensure an accelerated distribution of relief supply;
- strengthening or establishment if necessary, of emergency-related institutions including the setting-up of a national emergency fund for immediate use.

At sub-regional and regional levels

Establishment of a mechanism for cooperation among national Early Warning Units;
Establishment of multinational logistics coordination mechanism;
Creation, where necessary, of multinational and sub-regional emergency funds.

At the continental level

Contribution to and operationalization of the Special Emergency Assistance Fund created by resolution AHG Res.133 (XX) of the Twentieth Assembly of Heads of State and Government to deal with drought and famine in Africa;

The Policy Committee of the above Fund, in consultation with relevant African regional organizations and UN Nations Specialized Agencies, should:

Periodically identify food surplus countries or sub-regions with a view to enabling, eventually through the Special Emergency Assistance Fund, the supply of food aid by African countries or sub-regions that are in a position to do so;

Undertake periodic reviews of crop conditions in individual countries and sub-regions including weather data, data on price structures and trends as well as market conditions.

At the international level

- Close cooperation between donor countries and agencies and Governments of African aid recipient-countries and transit countries;
- Seek collective action for increased international food aid;
- Adequate technical and financial assistance to ensure the transportation, storage, and distribution of food aid to drought and famine victims;
- Adapting as much as possible the food aid to the food habits of the population;
- Financial support to the Special Emergency Assistance Fund created by the 20th OAU Assembly of Heads of State and Government.

II. Rehabilitation of African agriculture

It is desirable that investment in agriculture should aim at attaining 20-25% of aggregate public investment.

Short-term measures

At national level

Incentive measures for increasing production and productivity

- Place at the disposal of small farmers inputs such as seeds, fertilizers, hand tools and other implements at accessible prices for increased output;
- Establishment of remunerative produce pricing policy, timely supply of agricultural inputs, efficient marketing system, adequate supply of consumer goods;
- Improvement of agricultural implement maintenance capacity;
- Establishment of fixed and mobile repair units, supply of spare parts;
- Facilitate access to credit and land for small farmers;
- Elaboration of assistance programmes for the small farmers, women and rural youths;
- Improvement of the distribution of agricultural products.

Strengthening of institutions and infrastructure

- development of underground water and mobilization programmes through drillings of boreholes in order to enable the establishment of small irrigation schemes in the form of earth dams and to meet the needs of people;
- establishment of a mechanism for the determination of river flows and low levels
- realization of small water works particularly valley dams for the mobilization of surface water.

At regional and continental levels

- Strengthening of agricultural statistics and planning institutions and infrastructures through adequate funding;
- Better utilization of water resources; establishment of a mechanism for the determination of river flows and low levels.

Medium-term measures

At national level

Qualitative and quantitative production improvement

Agricultural production

- accord high priority to food crop production especially by increasing the percentage of investment to this sector;
- promotion of irrigated farming including small scale irrigation especially in drought areas;
- increase in cultivated areas by making available suitable and efficient land for farming;
- efficient management of farmlands to provide through better utilization of human and material resources the appropriate choice of technique, a better organization of production and increased productivity.

Production and preservation of forestry resources

- strengthening of measures of production and conservation of forestry resources. Especially by systematic campaign against destruction of forest heritage;
- rational exploitation of forestry resources;
- improvement of forest management techniques;
- reforestation campaign through mobilization of people;
- better utilization of forestry resources other than wood.

Animal production

- development of small family livestock within the framework of mixed farming;
- improvement of the collection, conservation, and marketing of dairy products;
- improvements of livestock breed and livestock infrastructure;
- improvement of veterinary services, campaigns for control and elimination of livestock disease with the participation of the population at large;
- development and improvement of animal feed production and pasture management.

Fishery production

- Better assessment of stocks, rational exploitation, and protection of fishery;
- development of coastal and maritime fishing by the multiplication of small artisanal trade;
- development of aqua-culture and fish farming;
- development of fishery resources especially by improvement the system of processing, conservation, and sale of production.

At regional and continental levels

Animal production

Improvement of veterinary services, joint campaigns for control and elimination of livestock disease with participation of the population at large.

Fishery production

Pooling of resources for rational exploitation of common marine resources particularly the establishment of joint fishing corporations.

Ensure food security

- At national level establishment of an early warning system for the supply of food resources of prime necessity;
- reduction of food losses before, during and after harvest; utilization of pesticides, improvement of storage and conservation facilities, improvement of sale and distribution capabilities;
- Drawing up of a multi-year food requirement plan;
- Implementation of national food security programmes as integral part of development strategies;
- establishment of food security stocks the level of which should not be less than 10% of the minimum national staple needs;
- encouragement of farmers to establish and strengthen their own security stocks;
- development of food security facilities by laying emphasis on infrastructures.

At sub-regional, regional, and continental levels

- implementation of sub-regional, regional, and continental food security programmes as integral part of development strategies;
- establishment of food security stocks at sub-regional and regional levels, the level of which should not be less than 10% of the minimum staple needs.

At international level

To sensitize the international community so that it increases in quality and quantity, its assistance to African countries in their efforts to rehabilitate agriculture and to enable them, in particular, to achieve the objective of 20 to 25% of public investments in this sector and to strengthen the intervention capacity of international donor organizations and institutions in the field of agriculture.

III. Structural reforms: Long-term measures

At the national level

Research, technology, and distribution systems

- development of quick - maturing as well as drought, disease, and persistent crop varieties;
- agronomic research directed towards new species/variants of crops adapted to different agro-ecological zones;
- selection and development of drought and disease-resistant animal species;
- adoption of an integrated farming system which is most adaptable to different agro-ecological zones;
- improvement of post-harvest technologies especially in the area of transport, storage, processing, distribution and marketing;

- strengthening the link between research and extension services; and
- development of basic and applied scientific research.

Training of skilled manpower and improvement of living conditions in rural areas

- drawing up an implementation of policies for better utilization in all areas of agriculture, including animal production, fisheries, and forestry;
- training efforts aiming at improving the skills of agricultural staff at all levels including farmers and rural artisans;
- improvement of working and living conditions in rural areas in order to avoid the exodus of skilled agricultural manpower and youth;
- implementation of training programmes for women and the rural youth.

Extension of cultivable areas

- harnessing the waters of rains, rivers, and lakes for irrigation development, through the construction of suitably designed dams especially in the semi-arid areas;
- reclaiming vast tracts of African land presently made unproductive due to tsetse infestation and incidence of onchocerciasis;
- striking a proper balance among activities relating to forestry, crops and
- development of swamp lands for agricultural purposes.

Food habits

This improvement could cover mainly the following:

- feeder roads;
- storage structures;
- irrigation facilities; and
- rural amenities and services such as rural health, education, water supply and information.

Strengthening institutional and management capacity

- restructuring and rationalization of the activities as well as management of organization, to render them more efficient;
- decentralization of agricultural support activities;
- decentralization of authority, responsibilities, and decision-making from the top to the bottom;
- proper co-ordination, monitoring and evaluation of projects and programmes;
- training and retraining in the management and administration of programmed activities including financial and budgetary practices;
- increased investment in the food and agricultural sector with focus on small farmers;
- formulation and implementation of programmes for adequate agrarian reforms consistent with political and social conditions prevailing in respective countries.

Support activities to agriculture by other sectors

The long-term support to development and agricultural growth will depend on the parallel development of industry. It is the same for other sectors such as energy, technology, commerce, transport, and communications. In this regard, the following specific measures are proposed among others:

- manufacture of simple, low-cost agricultural implements tailored to the needs of small farmers;
- the rehabilitation and development of existing transport infrastructure particularly feeder roads and other forms of communications;
- the research and development of new sources of energy to meet the growing energy needs and arrest the deforestation of the rural areas;
- the promotion of intra and inter-regional commerce in food and agricultural commodities;
- the establishment and/or improvement of preservation facilities and storage structures;
- the manufacture of cheap fertilizers and less harmful pesticides from local resources;
- the pursuit and improvement of adult literacy, rural health, and other related rural services such as rural housing community, water supplies and rural trading centres;
- promotion and rationalization of mixed farming practices;
- the rapid dissemination through the mass media of vital agricultural information beneficial to small farmers in such areas as the prevention of food losses, pricing, and other improved agricultural practices;
- research aimed at reducing varieties of equipment, spare parts and implements currently imported;
- optimal utilization of industrialization for agricultural development.

Restoration of ecological balance and the implementation of a policy on organic matter

The measures adopted are the following:

- adoption of appropriate policy measures aimed at efficient management of natural resources;
- introduction of suitable farming system;
- training activities;
- exploitation of natural resources especially common water basins and irrigation development;
- control of animal diseases and pests;
- maritime fishing especially through the creation of sub-regional and regional mechanisms for evaluation, monitoring and protection of marine resources;
- strengthening of the capacity of institutions responsible for the promotion of integrated rural Development including provision of assistance to the Centre for Integrated Rural development in Africa (CIDRAFRICA) based in Arusha, by Member States which have ratified the Centre's constituent instrument, and support for its network of national integrated rural development centers. [...]

At international level

- mobilization of financial and other resources for training and human resources development;
- massive international assistance for research and development;
- facilitation of transfer of appropriate technology and the development of indigenous technology.

IV. Drought and Control of Desertification

A great number of African countries are currently affected by drought and desertification and a study shows that the desert is encroaching on other lands at the rate of 8-10 kilometers per annum.

Among the 36 African countries facing serious food deficits, 24 countries are affected by desertification. In this regard, the following measures are proposed.

Measures recommended

At national level

Strategy

- need for a commitment and a strong national policy so as to adopt the appropriate legislative, statutory, financial, technical and social measures to face this scourge;
- improvement of the approach, strategy, and planning in desertification control;
- drawing up or strengthening of a national drought and desertification control plan;
- campaign for systematic information, sensitization, and mobilization of people, at the level of each State;
- national support seminars for planners, field workers and managers, and the general public on drought and control of desertification;
- establishment of nature protection associations with the status of public interest associations;
- establishment of an organ for coordination and evaluation of actions of desertification and drought control;
- sustenance of the ecological capability of pasture by marketing and reinstallation of excess livestock in the new installation areas.

Fields of action

- planting, conservation, protection, and diversification of the vegetation cover;
- water resources should be increased, particularly by implementing appropriate water development policy;
- firewood substitution and increase of other sources of energy;
- common eco-systems (rivers, big lakes, high plateau basin) to be protected.

At the sub-regional, continental, and international levels

- promotion of exchange of information, know-how and technologies in desertification and drought control;
- the establishment of an early warning system for drought;
- establishment of regional networks in Africa to coordinate the activities of stabilization of sand dunes, reforestation, research, and training in the field of desertification and drought control;
- pursuit of efforts aimed at establishing a North African green belt and green belts around the cities of the Sahel;
- implementation of OAU Resolution CM/Res. 450 (XXI) on the establishment of an International Hydrological Map for Africa to locate the underground water resources to control drought effects;
- implementation of ECA Resolution 496 (XIX) entitled Regional Plan of Action to control drought repercussions in Africa and ECA resolution 518 (XIX) on meteorological services to control drought in Africa;

- South-South cooperation in the planning and implementation of desertification and drought programmes;
- Increased activities by the OAU , ECA and United Nation Agencies whose terms of reference cover this field;
- Mobilization of international aid for the execution of programmes particularly by implementing thirty-nine United Nations General Assembly Resolution 39/280
- Need for donor countries to include in their aid programmes provisions for control of desertification and drought taking into account the magnitude of the scourge.

V. Refugees, displaced persons, and victims of natural disasters

Concrete measures should be undertaken at the national, regional and international levels to respond to the current situation, with a view to preventing new massive population exodus, and guarantee that refugees, displaced persons and victims of natural disasters can participate in socio-economic development activities of the countries of origin/asylum/residence.

At the national level

Short-term

- creation of favorable conditions for the voluntary repatriation of refugees;
- accelerated implementation of International Conference on Assistance to African Refugees (ICARA II) Projects;
- evolving settlement and rehabilitation policies and programmes;
- adhesion to existing international and regional instruments on refugees;
- establishment of a central body to monitor programmes and to evolve a comprehensive national policy on assistance;
- promotion of and respect for human rights.

Medium-term

- adaptation of existing national legislation to prevailing situations.
- training of personnel responsible for implementation of programmes in favour of refugees, displaced persons and victims of natural disasters or for law enforcement;
- collection of accurate statistical data on all displaced or refugee populations;
- assessment of the impact on national economies of the presence of refugees, displaced persons or victims of national disasters, towards linking programmes of assistance to national development programmes;

Long-term

- consideration and definition of the role to be assumed by the individual, the community, the different social and vulnerable groups in evolving and implementing national development policies and programmes;
- enacting national legislation to define and guarantee the rights of the individual and the community, and also those of refugees, displaced persons and victims of natural disasters.

At the regional and continental levels

- a. Establishment of an appropriate mechanism for the dissemination of humanitarian law, and of information on population movements attributable to man-made or natural disasters;
- b. strengthening the existing structure within the OAU Secretariat:
 - to monitor all issues pertaining to refugees, displaced persons and victims of natural disasters, and their prevention as well as human and peoples' rights;
 - to evolve policies, strategies and programmes commensurate with the situation obtaining;
 - to implement and follow-up of all relevant resolutions adopted with regard to those issues.
- c. Setting up of an inter-State machinery for the settlement of disputes, that should also define their socio-economic impact and consequences;
- d. implementation of collective measures for natural disaster prevention and preparedness;
- e. comparative study of existing African national legislations towards their harmonization;
- f. taking into consideration ICARA II document entitled 'Declaration and Programme of Action'.

At the international level

- a. concerted efforts towards the identification, preparation, and implementation of projects to benefit all segments of displaced (and local) populations, with the active assistance of the international community, inter governmental organizations (IGOs) and non-governmental organizations (NGOs);
- b. setting up of international early warning systems to help prevent or prepare for natural disasters in Africa.

CHAPTER III

Africa's External Debt

The dramatic increase in the volume of Africa's external debt and the heavy debt service burden is of grave concern to all the Member States. According to the most recent data published by the World Bank, total outstanding (including undisbursed) medium and long-term external debt for 46 African countries increased from US \$124.4 billion in 1982 to US \$136.8 billion in 1983. These amounts do not include the external debt of Angola, Libya, Mozambique and Sao Tomé and Príncipe, nor short term debt and IMF Credits. At the end of 1984 the total debt of all African countries was estimated to stand at US \$158 billion and it is expected to exceed US \$170 billion by the end of 1985. In 1982 Africa's total debt was 51.0% of the Cross-National Product and 59.0% in 1983.

At the same time, total debt service payments (interest and amortization) increased from US \$12.9 billion in 1982 to US \$14.9 billion in 1983. These figures do not show the full extent of the debt service burden for two reasons: first, not all forms of debt are covered; second, the figures reflect the effect of recent rescheduling exercises. According to projections by the World Bank debt service payments would be about US \$18.9 billion in 1984 and US \$20.4 billion in 1985. Unless immediate measures are taken by African countries in cooperation with the lenders to alleviate the debt service burden, such projected payments will constitute serious difficulties for African countries.

Apart from the alarming rate of increase in Africa's aggregate debt and debt services, it is most disturbing to observe the considerable change in the structure of its debt over the past decade. For example:

- The share of "soft" loans in sub-Saharan Africa's total debt declined from 62.5 per cent in 1972 to 47 per cent in 1983;
- The share of borrowing from financial markets in sub-Saharan African debt rose from 14.5 per cent to 36 per cent over the same period. Meanwhile, most other African countries were excluded from soft loan agreements as well as from bilateral and multilateral loans. Many thus turned to IMF standby agreements and extended fund facilities, despite the difficult conditions attached to such loans;
- The severity of the situation is underscored by the fact that in 1985 African countries will most likely repay more than they receive from the International Monetary Fund to whose programmes more than fifteen African countries have acceded. IMF repayments under the so-called "repurchase obligations" are currently estimated to total US \$700 million.

The total debt service, as a percentage of Africa's export earnings, was 19.8% in 1982 and 27.4% in 1983. For some countries, the debt service ratio is far above this average whereas it is generally accepted that the average debt should not exceed 20% of export earnings.

It is noted that given the increasing importation of essential goods and services, especially industrial commodities, indispensable to their accelerated economic development, African countries will continue to borrow in order to supplement their domestic resources. This constitutes one of the major root causes of Africa's external debt.

The causes of Africa's huge external debt and debt service burden are both internal and external

The internal causes are in particular the following

- inadequate and weak economic structures, in particular weak industrial base;
- structural rigidities in product diversification and dependence on the export of a few raw materials and commodities;
- deteriorating agricultural and food production that leads to increased food imports;
- poor design, negotiations and ineffective execution and monitoring of projects that lead to increased costs;
- low level of domestic resource mobilization and lack of provision for local counterpart cost;
- deficits in national budgets as a result of insufficient national resources for executing national development plans;
- natural disasters and economic destabilization activities that distort economic projections and necessitate diversion of resources;
- weak negotiating capacity of African countries vis-à-vis complex international financial mechanisms;
- lack of effective coordination at the national level and inefficient monitoring of foreign commitments.

The external causes include

- deteriorating terms of trade and the consequent reduction in total export earnings;
- sharp increase in real interest rates paid on long-term debt, especially on commercial loans;
- deteriorating terms of borrowing, including reduced grace and repayment periods;
- decreased flows of concessional resources to African countries;
- adverse effects of exchange rate fluctuations of the world's major currencies;
- inflated contracts and other abuses as a result of activities of transnational corporations;
- decreased net inflow of resources;

- protectionism and restrictive trade practices in the markets of the developed countries;
- aggressive economic destabilization policies of external forces.

Measures to tackle Africa's External Debt problems

African countries recognize that external debts are obligations which they have contracted and which they must honor. In view of their special situation as compared to other developing regions, the countries will need longer grace and repayment periods and increased concessional resource flows in order to restore growth and thus be able to meet their debt service obligations. Specific measures are, therefore, required to be taken at the national, sub-regional, regional, and continental as well as the international levels, in the short, medium, and long-term.

Short-term measures

At the national level

- the countries which have not done so, should consider establishing a national machinery for the management and rationalization of external debt, including the coordination of loan policies, monitoring loan utilization repayment schedules and advising generally on appropriate terms on external borrowings, including foreign exchange budgeting and loan ceilings;
- a thorough inventory should be made of all external debts contracted by the State, public, semi-public and private institutions to determine more accurately the quantum of external debt, the purpose for which the debt was contracted and how it was to be paid as one way of determining the amount of foreign exchange reserves to be allocated to external debt servicing incurred by the public and the private sectors, so as to avoid the accumulation of debts and arrears beyond the capacity of the countries to repay;
- an urgent review of projects should be taken with a view, among others, to ascertaining which of them should be scrapped, and to renegotiating those whose poor performance can be traced to their design, the terms and conditions of the initial loan agreements;
- increased effort should be deployed to mobilize domestic resources, in particular domestic savings so that external (borrowed) resources would only supplement national resources;
- domestic and foreign resources should be directed at projects generating or saving foreign exchange, without neglecting projects designed to provide basic social services;
- a crash programme should be formulated and implemented with the objective of increasing productivity in all sectors;
- every effort should be made to eliminate external financing of deficits on recurrent national budgets;
- African countries should control the external borrowing practices of transnational commercial banks, discount houses, insurance companies as well as other local commercial banks so as to halt the excessive drain of resources from Africa by transnational corporations. Immediate legislation should be enacted, where this does not exist, requiring such companies to consult the government before deciding to borrow externally;
- African countries should review and if necessary, adopt new investment policies that would inter alia set out the priorities for foreign exchange allocation, set the conditions for foreign private investment, equity participation, etc., as well as provide for readjustment measures for a sound economic base;

- African countries should improve their capability and capacity for project/contract negotiation in order to secure the best terms and conditions, as well as their capacity for undertaking consultancy services.

At the sub-regional, regional, and continental levels

- within the framework of African solidarity, African countries with net reserves should recycle part of these surplus funds in Africa;
- African countries should utilize seminars and workshops organized by sub-regional, regional, and continental organizations such as the African Centre for Monetary Studies (ACMS) for the exchange of information on loan negotiations and debt rescheduling;
ministers responsible for external debt, monetary and financial policy should meet regularly and whenever necessary to deal with these matters;
- the existing sub-regional and regional payments and clearing arrangements should be strengthened towards promoting increased intra-African trade thereby reducing the need for foreign exchange and hence external borrowing;
- a new system of incentives, including national investment codes that discriminate in favour of African investors, should be instituted immediately to encourage African individual private investors, to invest their resources in other African countries either on a bilateral basis or through the existing sub-regional, regional, and continental financial institutions. This would not only improve the liquidity of the borrowing countries thereby reducing the need for external borrowing, but would also promote intra-African monetary cooperation as envisaged in the Lagos Plan of Action and the Final Act of Lagos;
- all continental, regional, and sub-regional development finance institutions should reduce the foreign exchange component of the local contribution to ongoing and new projects they finance for member countries;
- a review of sub-regional or multinational projects should be undertaken with a view to determining which of them should be scrapped and which should be retained.

At the international levels

- African countries should press for an international conference on Africa's external indebtedness to be convened as a matter of urgency to provide a forum for international creditors and African borrowers to discuss Africa external debt with a view to arriving at appropriate emergency, short, medium and long-term measures to alleviate Africa's debt problems;
- the OAU Current Chairman and the Bureau of the Twenty-first Ordinary Session of the Assembly of Heads of State and Government should make the necessary contact with the multilateral institutions and the major creditors with a view to an early organization of the conference;
- African representatives in the Development Committee of the World Bank and in the Interim Committee of the IMF as well as the African Group in these institutions should stress the impossibility of effective structural adjustment measures without effective transfer of additional external resources in order to ensure rapid economic recovery in Africa;
- the Secretary-General of the OAU, the Executive Secretary of the ECA and the President of the ADB should initiate the necessary preparations in order to ensure the success of the conference;
- the international development finance institutions should reduce the foreign exchange component of the local contribution to ongoing and new projects they finance in Africa;

- increased transfer of concessional financial resources (including grants to the Least Developed Countries) from both multilateral and government lenders in recognition of the specific problems of African countries; and increased programme-lending especially to the LDCs;
- debt rescheduling provides immediate relief to the debtor countries. To be effective, rescheduling should be on a multi-year basis, with a repayment period of at least 15 years with a minimum grace period of 5 years, and the debt that follows rescheduling should not be at higher interest rates;
- the World Bank (IBRD) should raise the eligibility ceiling to enable more African countries to qualify for International Development Association (IDA) resources; while at the same time total funds available to IDA should be increased;
- the IMF should reactivate its trust fund;
- the developed donor countries should immediately implement UNCTAD Resolution 165 (S-IX) on debt and development problems of developing countries which, inter alia, calls on them to adopt measures for the adjustment of the terms of past bilateral official development assistance in order to bring them in line with the currently prevailing softer terms or other equivalent measures as a means of improving the net flows of official development assistance in order to enhance the development efforts of those developing countries in the light of internationally agreed objectives and conclusions on aid;
- the developed donor countries are also urged to urgently implement, without discrimination, the provisions of Paragraph 17 of the Declaration annexed to the United Nations General Assembly Resolution 39/29, on the Critical Economic Situation in Africa, which, inter alia, calls for total or partial conversion of ODA debts into grants.

Medium and Long-term measures

At the national level

- Careful attention should be given to project identification, design, preparation, execution, and efficient management;
- a more rational utilization of external credits and loans should be made through an immediate review of the national development plans to introduce short, medium and long-term policies on external debt management mechanisms linked with productive ventures such as proper project selection, preparation, implementation, monitoring and evaluation. This should also ensure that any loans previously contracted should, where possible, be relinked with the viability and profitability as well as the country's ability to repay past, current, and future debt obligations;
- effective measures should be taken to reduce the external dependence of African economies by producing locally the essential goods and services so as to reduce the effects of adverse international development over which African countries have no control.

At the sub-regional, regional, and continental levels

- African parastatal organizations should be encouraged through appropriate incentives, to participate in sub-regional and regional joint ventures. This would improve the liquidity of the countries thereby reducing the need for external borrowing;
- African development finance institutions are also urged to increase their financing of sub-regional and regional projects so as to assist member countries in alleviating the external debt burden. They should also play an increasing role in the identification and preparation of sound and economically viable investment projects in the Member States;

- the political will for South-South cooperation should be intensified, particularly in the field of monetary cooperation.

At the international level

- the debt service should not be allowed to exceed 20% of the export earnings and total debt should not exceed 30% of GNP of each country;
- the international community is urged to finally implement UNCTAD Resolution 222 (XXI) concerning detailed features for debt renegotiation as well as Resolution 39/29 of the UN General Assembly on the "Declaration on the Critical Economic Situation in Africa."

CHAPTER IV

Common platform for action among member states of the OAU

The aspirations and objectives since its inception have been to promote and strengthen unity and solidarity among African States and peoples through actions and programmes of cooperation and integration of their economies. The Lagos Plan of Action and the Final Act of Lagos have defined the conceptual framework and laid down the major guidelines for the development of this cooperation.

The realization of these aspirations was, however, impeded by structural obstacles (outward-oriented economies; lack of complementarity; narrow economic base; and structural deficiencies in world economy resulting in unfavorable conditions for developing countries, etc.) as well as political obstacles (conflict situations, inadequate political will, failure to honor commitments made jointly, etc.) and extraneous circumstances.

Therefore, it is deemed necessary to formulate a common platform for action so as to revitalize sub-regional and regional economic cooperation for the recovery of the economic situation of Africa and mobilization of external support to back Africa's own efforts. Besides, the present crisis in international economic relations which affects multilateral cooperation, makes it imperative for Africa to strengthen its negotiating ability in international fora and ensure the effective recognition of its specific interests, hence the need to present a united front on all the international issues of common interest.

I. Conditions for integration

Economic integration through sub-regional, regional, and continental cooperation is today a top priority which will enable the economies of the African countries to be viable within a system of international relations characterized by inequality in the balance of power. The development of intra-African cooperation to ensure a coherent economic integration, depends first and foremost on the political will of member states to scrupulously honor their commitments made in the context of bilateral agreements and within sub-regional, regional, and continental organizations.

Integration also requires a healthy management of the African economies: more effective utilization of the appropriate resources, better selection and coordination of investment programmes, good management of enterprises, etc. The sub-regional and continental organizations should be strengthened to ultimately lead to a viable economic integration at continental level by assigning themselves realistic objectives. The credibility of the sub-regional, regional, and continental organizations

will depend on their ability to take into account the common and specific interests of the member states and will be enhanced by member states respecting the decisions jointly taken.

II. Areas of priority action

At the sub-regional, regional, and continental levels

African States should take steps to set up or strengthen sub-regional and regional economic groupings, in a rational and harmonized framework, so as to ensure an effective cooperation among member states first of the same sub-region and then among the different regional economic groupings. This cooperation should be intensified and extended both at multilateral and bilateral levels in the following priority areas:

Agriculture and Food

States should cooperate at bilateral, sub-regional, regional, and continental levels for the execution of measures adopted in the Special Programme of Action for the improvement of the Food Situation and the Rehabilitation of Agriculture in Africa.

Transport and Communications

- optimum utilization of existing resources;
- intensification of cooperation for the realization of regional , sub regional projects forming part of the UNTACDA programme;
- intensification of cooperation in telecommunications;
- harmonization and coordination of land, air, and maritime transport policies;
- attention should be given to the special situation of the least developed, especially the land-locked and island countries among them.

Industry

- reinforcement of cooperation to ensure the realization of regional and sub-regional industrial projects adopted for the IDDA;
- development of industries for the production of agricultural equipment and inputs, consumer goods and the processing of foodstuffs;
- development of industries using local resources;
- intensification of inter- African cooperation in the field of standardization and control of the quality of products.

Trade and Finance

- conclusion of multilateral clearing arrangements at sub-regional, regional, and continental levels so as to reduce to the minimum the use of convertible currencies;
- reduction in and elimination of tariff and non-tariff barriers impeding intra-African trade;
- better knowledge of the market at sub-regional and regional levels, and the organization of campaigns to encourage people to "buy and consume African goods";

- harmonization of price policies first at sub-regional level and as far as possible at regional level;
- intensification of cooperation among African Commercial Banks so as to promote intra-African trade;
- strengthening of sub-regional and regional monetary and financial institutions and in this respect, measures should be undertaken for an early establishment of the African Monetary Fund;
- continue to press for an increased share in decision-making at international level such as the General Agreement on Tariffs and Trade (GATT), IBRD and IMF.

Science and Technology

- harmonization of national policies relating to science and technology at the sub-regional and regional levels and establishment of a harmonized system of trade and dissemination of data on the experience and results of research works;
- drawing up and execution of research programmes in the areas of common interest particularly integrated rural development for the rehabilitation of the food and agricultural sector.

Human Resources

- harmonization of education and training policies at all levels especially in the areas of Agriculture, Food, Industry and Transport and Communications;
- implementation of technical assistance or policy programmes to facilitate mobility of labor;
- give priority to the utilization of African personnel in the execution of national, sub-regional and regional development programmes;
- taking adequate measures to ensure the free movement of goods, capital, and persons;
- make operational the Technical Cooperation Fund which was set up by the Inter-African Convention on the Establishment of a Technical Cooperation Programme adopted at the Twelfth Ordinary Session of the Assembly of Heads of State and Government, held in Kampala in 1975.

At International level

African countries should strengthen their unity and solidarity so as to ensure that at the international scene attention is given to their specific interests. It is, therefore, necessary to prepare a common platform for action intended especially for international institutions.

The platform takes the following factors into consideration

- it is first and foremost incumbent upon Africa itself to define conditions and assume direct responsibility for the rehabilitation of its economy;
- strengthening of solidarity and consultations among African States is necessary for a better awareness of Africa's interests;
- the grave deterioration of the economic situation of most African countries compels them to call on the United Nations System to give serious consideration to this situation;
- owing to the fact that Africa is lagging behind technologically, it should insist within the Specialized Agencies of the UN for special treatment to be accorded particularly in the areas of technical cooperation, training and research;

- in view of its composition (26 out of the least developed countries, majority of the countries low income, land-locked countries; 3 are affected by drought and desertification), Africa's share should be increased in the international institutions' programmes for development financing.

In approaching international institutions priority should be given to

International institutions dealing with agriculture and food

As a first step there is a need for increase in the assistance granted by these bodies to meet emergency situations. As a medium-term measure, Africa's approach to these institutions should be directed towards increasing production capabilities in the food and agricultural sector.

Development financing institutions and organs to mobilize to the maximum, external resources

Africa should pool its efforts with those of other developing regions to secure the increase of the liquidity of these institutions to levels compatible with the needs of developing countries while at the same time assuring an increase in its share of the resources of these institutions going to Africa. These institutions and other donors should also respect the laid down priorities and should soften loan conditions. Emphasis should especially be placed on:

- the replenishment of IDAs resources to at least a level of US \$12 billion and the increase in the share of resources allocated to Africa;
- increase in the financial resources of the International Fund for Agricultural Development (IFAD) to a level commensurate with agricultural development needs of developing countries and subsequent increase in its resources allocated to Africa; and the international community should provide substantial assistance to IFAD so as to achieve the target of US \$30 million for its Special Programme for the Rehabilitation of Agriculture in Africa;
- increase in the resources of the African Development Fund (ADF) to the level commensurate with the needs of Africa; increase in the liquidity of the World Bank and IMF; increase in the Special Drawing Rights (SDRs) and the maintenance of the latter's unconditional nature. These two institutions should give special attention to Africa;
- access facilities to the Special Fund established by the World Bank for Africa South of the Sahara should be made more flexible and void of cross-conditionalities;
- organization of an International Conference on development of monetary and financial matters;
- Africa's external debt relief;
- Increase in the official development assistance so as to obtain the objective of the Third United Nations Development Decade;
- Honouring of developed countries' commitments to the LDCs.

Institutions responsible for trade and commodity prices

The aim is to obtain fair remunerative and stable prices for commodities and increase in export earnings. Within the UN Conference on Trade and Development (UNCTAD), Africa's objective should be:

- Making operational the Common Fund for Commodities;
- Renegotiation of existing commodity agreements and negotiation on new agreements;
- Expansion of the Generalized System of Preferences (GSP);
- Acquisition of adequate technologies and financial resources for local processing of commodities;

- Elimination of the tariff and non-tariff barriers levied on processed commodities in industrialized markets;

Within the General Agreement on Tariffs and Trade (GATT)

- the system of trade in services which will be the subject of negotiation during the next round should be given special attention by Africa;
- an important place should immediately be given to the question of agricultural products, within this institution;
- Africa should demand preferential systems for African agricultural products without prejudice to the preferences enjoyed by all African States which have cooperation agreements with the European Economic Community (EEC).

Institutions covering food and agriculture development support sectors

UNIDO should intensify its efforts to ensure increased mobilization of resources for the attainment of the objectives of the Industrial Development Decade for Africa.

UNIDO should particularly be required to assist African States to immediately establish industries with forward and backward linkages to agriculture production processes.

In the field of Transport and Communications, in order to facilitate transportation and marketing of agricultural inputs and produce, approach should be made to the donor countries and international financial institutions so that they provide financial and technical support for the realization of the programmes of the UN Transport and Communications Decade in Africa. Special attention should be given to land-locked countries.

South-South cooperation

Africa should mobilize the groupings of which it is a member (Group of 77, Non-Aligned Movement) so that its concerns can be taken into consideration and adequate support given for the attainment of its objectives. Besides, Africa should take advantage of all the facilities offered by South-South cooperation especially through an active participation in joint projects accepted within the context of this cooperation: establishment of a Global System of Trade Preferences among developing countries (CSTP), multi-sectoral information network, South Bank, etc.

General Assembly

The convening of a Special Session of the UN General Assembly on Africa's critical economic situation should offer an opportunity to raise Africa's entire economic problems and to mobilize the international community through an integrated approach for necessary effort to be made to ensure the economic recovery of Africa.

III. Follow-up measures and mechanisms

The establishment of a common platform for action requires the adoption of measures and setting up of follow-up mechanisms at national, sub-regional, regional, continental, and international levels.

At national, sub-regional, regional, and continental levels

- Establishment or strengthening of a national mechanism in charge of preparing and following up sub-regional, regional, continental, and international conferences;
- Taking into account at national level the common objectives defined at the bilateral, sub-regional, regional, and continental plans;
- Use of existing regional economic groupings and encouragements for their creation where these do not exist;
- Rationalization and revitalization of existing instruments of cooperation for a judicious utilization of financial and human resources notably by setting up realistic objectives;
- Establishment or strengthening of sub-regional or regional mechanisms on the initiatives of the sub-regional or regional groupings on the basis of a sectoral division of labour for follow up or any other basis to be agreed upon by the sub-regional or regional groupings or by the member states of the region;
- Promotion of cooperation between regions particularly through the conclusion of agreements in the areas of common interest.

At the continental level

Establishment of a high-level permanent machinery, operating as a Steering Committee, which will be responsible for:

- Follow-up of decisions and resolutions of the Twenty-first Assembly of Heads of State and Government on Economic Matters and monitoring of the implementation of the Declaration on this Priority Programme.
- Paying permanent attention to issues concerning the economic development of Africa;
- Assisting in defining and coordinating the positions of member states in the preparation of the major international negotiations and within the major international institutions;
- Any other issues submitted to it by the Current Chairman of the OAU or the Council of Ministers.

The Committee will be convened by the Current Chairman or the Chairman of the Council of Ministers. The Committee shall submit an annual report to the Council of Ministers.

The Steering Committee is composed up to the Twenty-second Assembly of Heads of State and Government, by the following member states: Algeria, Cameroon, Ivory Coast, Nigeria, Senegal, Tanzania, Zimbabwe, to which the member states of the Bureau of the Twenty-first Session of the Assembly of Heads of State and Government are added.

Starting from the Twenty-second Assembly of Heads of State and Government the member states of the outgoing and incumbent Bureau will constitute the Steering Committee.

The Committee will benefit from technical support from the OAU Secretariat in close collaboration with the ECA Secretariat. It should use as much as possible the services of African experts.

ii. Improvement in OAU's facilities for taking action in the economic field, particularly the strengthening of its Economic Development and Cooperation Department and improvement on its logistics. In this connection, African States should endeavour to place highly qualified personnel at the disposal of the OAU.

At the international level

Representation of African States at the decision-making levels of multilateral institutions (Addis Ababa, New York, Geneva, Washington, Vienna, Rome, Paris, Brussels, Nairobi, etc);

- Effective participation at the appropriate levels of African representation in the meetings of the African Group in all fora;
- Qualitative strengthening and rationalization of OAU representation at these decision-making centers;
- Revitalization and, where necessary, institutionalization of the African Group in the international fora, for the defense of Africa's interests;
- Preparation at national, sub-regional, regional, and continental levels for each international conference so as to effectively and accurately identify Africa's specific interest;
- Qualitative improvement in Africa's representation at all negotiations by ensuring as much as possible the continuity of such representation;
- The Current Chairman of the OAU will endeavour to reiterate the common African stand whenever necessary.

d. The above-mentioned measures in (a), (b), and (c) call for the strengthening of cooperation between OAU, ECA, ADB and other African and international institutions.

IV. The effects of the destabilization policy of the racist regime of South Africa on the economies of the Southern African States

The policies of economic and military destabilization by the South African racist minority regime on the Southern African States, members of the OAU, constitutes one of the biggest challenges to the international community, particularly the African countries. Acts of destabilization by the apartheid regime have intensified in recent years with critical and far-reaching consequences for the economies of the independent Southern African States. These consequences include:

- Loss of human life, livestock, and property;
- The disruption of economic production and the destruction of infrastructure;
- The diversion of resources required for economic development to additional defense spending and repairing the war damage;
- The disruption of the supply and transportation of essential goods and raw materials;
- Lost economic growth; and
- The creation of a stream of refugees and displaced persons.

At the national level

Member states are urged to:

- redouble their support for the liberation movements, especially by paying up their contributions to the Liberation Committee Fund and providing other forms of assistance, including training facilities;
- render financial and material assistance to each Southern African State in order to help them meet the heavy cost of destabilization;
- give financial and technical assistance support to SADCC programmes and projects.

At the sub-regional, regional, and continental level

- the OAU and ECA Secretariats, the African and international economic organizations and agencies should liaise with SADCC to determine the areas where their support is required;
- the African Development Bank Group should intensify its activities in the Southern African States by committing more resources to the region especially on soft terms and by mobilizing non-bank resources in order to support their programme implemented both at national and regional levels.

At the International level

At international fora, African States should take every opportunity to impress upon the international community that the ending of apartheid and the illegal occupation of Namibia by the racist apartheid regime is the concern of all humanity, and should urge:

- all countries and agencies to render financial and material assistance to the Southern African States to help them counter the effects of destabilization on their economies, including assistance to enable them to strengthen their defense capabilities;
- the governments of industrialized countries, international and national financial institutions, and transnational corporations to apply effective economic sanctions against South Africa and increase their loans to Southern African States;
- the international community to render appropriate and effective financial, material, and technical assistance to the independent states of Southern Africa in order to minimize the effects on these countries of sanctions against South Africa;