

# Introductory Remarks Mr. Taizo Nishikawa, Deputy Director-General United Nations Industrial Development Organization

On the occasion of the "Africa Industrialization Day"

Brussels, 5<sup>th</sup> December 2012

Excellencies,
Distinguished Guests,
Ladies and Gentlemen,

We are gathered today to celebrate the 23<sup>rd</sup> Africa Industrialization Day on the theme "Accelerating Industrialization for Boosting Intra-Africa Trade". The international commitment to help Africa to industrialize and to enhance the continent growth is a key element for global prosperity. This celebration allows us to look at all the successes we have achieved together for Africa's sustainable industrial development. It also underlines the remaining challenges ahead to achieve sustainable and inclusive development.

Africa stands today, at an economic crossroads. The high road builds on a decade of growth and investment in infrastructure and development to see the continent finally emerge as a serious player in the global economy, with more diverse, sophisticated and sustainable economies and greater prosperity for its people. The low road sees political and social turmoil slow down growth and trade opportunities.

Therefore, Africa remains a continent in transition. Challenges still exist, requiring strong African actions and partnership support. Pro-market macroeconomic policies have not created enough jobs, especially for Africa's fast-growing urban youth. Positive average growth rates on the continent still need to be translated into inclusive growth and poverty reduction. Thus, much still needs to be done in terms of employment creation, sustainability; promoting intra-regional trade and investment, meeting the MDGs, domestic resource mobilization, value-addition for raw materials and commodities, and developing and effectively utilizing human and institutional capacities, particularly for public policy design and implementation. These challenges also provide opportunities for a durable transformation.

### Excellencies,

### Ladies and Gentlemen,

For as long as most Africans can remember, the United Nations Industrial Development Organization (UNIDO) has been a trusted partner of Africa, actively contributing, through its efforts for sustainable industrial development, to the continent's ultimate quest for poverty reduction and wealth creation.

To date, UNIDO implements over 400 projects worth almost US\$200 million in Africa, with over 150 projects in the pipeline that would result in additional support worth over US\$400 million. Furthermore, at the request of African countries and RECs, UNIDO has developed an ambitious portfolio of large scale industrial programmes ready for implementation. Many of these programmes aim to leverage additional public and private resources that can sometimes represent much more than the original investment and increase the impact on the local economy. For instance, in the last ten years, with \$220 million of GEF funding, UNIDO leveraged \$800 million from the public or private sectors.

UNIDO's efforts have continued to focus on agribusiness and value chain development as well as on trade capacity-building and upgrading of local SMEs. At the same time, greater efforts were invested in unleashing the continent's potential related to environment and energy, and in the development of sound public-private partnerships as well as of mutually beneficial South-South cooperation.

In June 2006, UNIDO and the African Union Commission signed an agreement reaffirming the close cooperation between the two organizations.

As part of the UN system-wide support to the AU and to NEPAD, UNIDO was entrusted with the role of convener for the Industry, Trade and Market Access Cluster.

As an immediate follow-up, UNIDO initiated four technical cooperation programmes worth over €70 million to expand the quality infrastructure and upgrade local companies in the regions of Central Africa, COMESA, ECOWAS, and SADC, many times with the support of the EU Commission and European donors. At the same time, the Organization initiated numerous country-level projects in almost all African countries.

UNIDO accompanies the AU and its subsidiary organs in addressing crucial issues: amongst others, UNIDO provides support to the Conference of African Ministers of Industry (CAMI) and its Bureau, as well as to numerous national and regional institutions that focus on strategic activities, such as agribusiness, value chains, investment and technology, energy, cleaner production, trade capacity building and market access.

UNIDO and the AU have also developed the AU Action Plan for the Accelerated Industrial Development of Africa (AIDA), subsequently endorsed by the Conference of African Ministers of Industry and the AU Heads of State Summit in 2008. The overarching goal was to guide Africa in its industrialization vision, involving the need to catch up with the rest of the world in industrial competitiveness by 2030, and to be in a position to consolidate and sustain its competitiveness beyond the year 2030.

This Action Plan has become an Overall Objective of the Africa-EU Plan of Action 2011-2013. In this regard, I have the pleasure to announce that the EU, through the Commissioner for Industry and Entrepreneurship and the CAMI Bureau, in presence of the AU Commissioner for Trade and Industry, have approved the principle of an AU-EU-UNIDO High-Level Conference on Industrial Cooperation in June, in Kenya, at the occasion of CAMI 20.

This Conference will be an opportunity to support the the Action Plan priorities that need to be addressed at the national, regional, continental, and international levels to promote the coherent industrial development of Africa.

#### These priorities are related to:

- Inclusive, pro-poor growth;
- Solid productive and trade capacities;
- Resource efficient Industries (Green industry) and sustainable energy; We have supported several Joint global forum activities like the High-level Conference on Development of Agribusiness and Agro-Industries in Africa which endorsed the African Agribusiness and Agro-Industries Development Initiative (3ADI) in March 2010 in Abuja and the AU-UNIDO Conference on Economic Diversification and Manufacturing held in April 2012 in Addis-Ababa; etc.

Next year, in 2013, we continue to support African countries and regions into their programming for AIDA implementation, in partnership with the EU and other partners. In addition to the AU-EU-UNIDO High Level Conference on Africa Industrialization, we will also contribute to an important seminar with the EU on Agribusiness in Africa with the participation of businesses from EU and Africa. We will continue to enhance our partnership with the African Union, especially in the sector of the pharmaceuticals industry, through the PMPA, the Pharmaceuticals Manufacturing Action Plan. We will continue also to develop our partnership in the context of the forthcoming TICAD V and the post-2015 development agenda.

## Excellencies, Ladies and Gentlemen,

To conclude, on behalf of the Director-General, I express my gratitude. I thank you for your attention. I wish you all the success.