

# Africa Industrialization Day

## Journée de l'Industrialisation de l'Afrique

### يوم التصنيع في أفريقيا

20 November

## Joint Statement of the AUC, UNIDO, UNECA

### AFRICAN INDUSTRIAL DEVELOPMENT:

A PRE-CONDITION FOR AN EFFECTIVE AND SUSTAINABLE  
CONTINENTAL FREE TRADE AREA (CFTA)

### التنمية الصناعية الأفريقية:

شرط مسبق لإقامة منطقة تجارة  
حرة فعالة ومستدامة على  
النطاق القاري

### DÉVELOPPEMENT INDUSTRIEL AFRICAIN:

UNE CONDITION PRÉALABLE POUR UNE ZONE DE  
LIBRE-ECHANGE CONTINENTAL (ZLEC)  
EFFICACE ET DURABLE



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION



AFRICAN UNION



UNITED NATIONS  
ECONOMIC COMMISSION FOR AFRICA

***Joint Statement of the AUC, UNIDO, UNECA***

***Of the Africa Industrialization Day, 2017***

***Theme:***

***“AFRICAN INDUSTRIAL DEVELOPMENT: A PRE CONDITION FOR AN EFFECTIVE  
AND SUSTAINABLE CONTINENTAL FREE TRADE AREA (CFTA)”***

Excellencies,

Ladies and Gentlemen,

Today, we celebrate the Africa Industrialization Day in support of the ongoing economic transformation efforts of the continent towards industrialization. We would like to welcome the tremendous progress achieved but also underline the remaining challenges and much-needed efforts to set the economies of African countries on a path to sustained economic development and poverty eradication, .

This year’s theme, *“African industrial development: a pre-condition for an effective and sustainable Continental Free Trade Area (CFTA)”*, allows us the take this opportunity to discuss, throughout Africa and the World, further steps to accelerate the continent’s trade-related integration. It also reminds us that we need to do more in expanding our industrial capacity and productivity in order to boost intra African trade and give the CFTA its full potential.

The 18th Ordinary Session of the Assembly of Heads of State and Government of the African Union, held in Addis Ababa, Ethiopia in January 2012, endorsed a decision to establish the Continental Free Trade Area (CFTA). The CFTA is expected to be launched by African Heads of States at the next AU Summit to create a single market for Africa in line with the overall objective of the Abuja Treaty.

The CFTA is a flagship project of the African Union’s (AU) Agenda 2063 and a key initiative for the economic development and integration of Africa. It will bring together fifty-five African countries with a combined population of more than one billion people and a combined gross domestic product of more than US \$3.4 trillion. The

underlying objective is to increase the trade levels, create a large market for African goods and services and ensure that trade continues to play its transformative role by providing opportunities for value addition and industrialisation. The African Common Market can also help to improve economic performance through a large increase in business opportunities, Foreign Direct Investment flows and Tax Revenues. AU member states are urged to diversify their economy and products and upgrade the quality infrastructure in their countries in to be able to benefit from this expected huge open market across the continent. In order to become a reality, the CFTA must rely on a coherent rapid and robust industrialization at country level. Market size which has been a daunting challenge to industrialization in African countries should be overcome on the continent. To this effect, at the level of enterprises and Industries, exploiting new opportunities for scale production, and effective reallocation of resources are imperative.

On the other hand for the CFTA to fulfill Africa's industrialization there is a need for some major policy adjustment in order to create the most required conducive environment, through intelligent and dynamic industrial policy including the, Special economic Zones and regional joint ventures ,promoting the quality and standards, R&D, and infrastructure ,effective financial mechanisms, promotions of regional and sub-regional corridors and joint ventures to enhance competitiveness to facilitate the continent's participation in global value chains, trade and services.

At the same time, the 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs), in particular Goal 9 and the Addis Ababa Action Agenda, mark a transition to a new development paradigm recognizing that Africa needs to rapidly restructure and diversify its economies with a robust and durable support of the private sector. In addition the critical importance of this nexus was underscored by the adoption of the Third Industrial Development Decade for Africa 2016-2025 (IDDA3) by the UN General Assembly and recently reconfirmed during the joint high-level event entitled: "From political commitments to actions on the ground" that successfully took place on 21 September 2017 on the side lines of the UN General Assembly 72nd Session in New York.

Undeniably, much remains to be done to generate an inclusive growth and create the much needed sustainable jobs and livelihoods by the means of industrial development. Yet, we would like to reiterate our commitment to stand ready to assist African countries in prioritizing structural transformation for inclusive and people-oriented development on the continent in accordance with the African Union's Agenda 2063. Africa should pursue the CFTA as one of the best means of promoting industrialisation and take bold actions to advance its agenda.

Thus, with one strong voice, the AU, UNECA and UNIDO, in line with their respective mandates, call for renewed and improved actions to support an inclusive and sustainable industrialization in Africa. The shift to an industry-driven African economy should not be delayed anymore in order to fulfill the vision of "One Africa, One market".

We wish you all an excellent celebration of the 2017 Africa Industrialization Day.

Thank you for your attention.