

Organization of African Unity

# STATEMENT BY H.E. DR. SALIM AHMED SALIM, SECRETARY GENERAL OF THE OAU/AFRICAN ECONOMIC COMMUNITY AT THE SECOND ORDINARY SESSION OF THE ECONOMIC AND SOCIAL COMMISSION

Cairo, Egypt

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23 - 24 April 1998

### Mr. Chairman,

#### Excellencies,

I should like, from the outset, to pay special tribute to H.E. Hosni MUBARAK, President of the Arab Republic of Egypt, his Government and the Egyptian people for their warm welcome and brotherly hospitality which we have enjoyed since our arrival in Cairo. In accepting to host the first substantive meeting of the ECOSOC, the Egyptian Government has, once again, demonstrated its commitment to regional cooperation and integration in Africa and to the collective endeavours of our Member States. I wish also to welcome the Honourable Ministers, Heads of Delegation and all other participants to this Second Ordinary Session of the Economic and Social Commission of the African Economic Community.

The inaugural Session of ECOSOC, held in Abidjan, Côte d'Ivoire in November 1996 was a major milestone in the implementation process of the Abuja Treaty and in the long march of our continent towards the establishment of the African Economic Community. This path towards cooperation and integration in Africa was clearly reaffirmed by the Harare Summit when it convened, for the first time, as the Assembly of Heads of State and Government of the African Economic Community.

Since the Harare Summit, the Joint Secretariat, with the support of the UNDP, undertook an assessment of the progress achieved in regional integration, as well as of the major obstacles and constraints to accelerating that

process. An urgent issue to be addressed in this regard, relates to the proliferation of integration groupings with the consequent duplication of effort and divided attention, as well as compounding the serious problem of inadequate resources to sustain the activities of these groupings. Indeed, it is a fact that Africa has a large number of economic integration groupings and other inter-governmental Organisations, all of which depend on financial contributions from their Member States. It is also a fact that our Member States are increasingly finding it difficult to support all the Organisations that they belong to.

This is why the Abuja Treaty has given top priority to the strengthening of Regional Economic Communities and creating new ones in regions where they do not exist. We need therefore to address this problem seriously and with realism so as to ensure that there is an effective rationalisation of these groupings and other inter-governmental Organisations in such a way as to promote rather than complicate the integration process and to maximise the impact of the financial contributions of our Member States. In that way, our continent's dependence on external resources for its integration programme will also be reduced and its control of its development agenda enhanced.

The issue of rationalisation of economic integration groupings is closely linked to that of programme coordination. Our objective should consist of a selection of a list of priority programmes to be implemented within a specified time-frame by the Regional Economic Communities based on comparative advantages and optimal use of available resources, including external ones.

A second issue that should be taken up as priority, following our assessment of the progress of regional integration, is the role of the Economic Operators in the regional and continental integration process. The participation and involvement of Africa's economic operators in the process of regional integration will go a long way in promoting demand-driven programmes. It will enhance their sustainability, and will allow our governments to focus their effort on policy and strategic issues. We should therefore consider the Economic Operators, including the private sector as indispensable partners in development. With adequate incentives and requisite policies, that sector can constitute a major factor in economic growth and development.

## Mr. Chairman,

#### Ladies and Gentlemen,

While the path towards the establishment of the African Economic Community is laden with obstacles, the progress achieved so far in regional integration throughout the continent, is nonetheless encouraging. It points to the need for all our countries to do more in the areas of policy harmonisation and the achievement of policy convergence at the regional level, investment and institutional and physical infrastructures, including production infrastructures and transport and communication. Since the African peoples are the indispensable agents of development, their ability to move freely and engage in business activities within the economic space which is being created, constitutes the critical factor in Africa's integration effort which this second meeting of ECOSOC will be considering.

In this regard, 1 am pleased to inform the Commission that the Protocol on Relations between the African Economic Community and the Regional Economic Communities for the implementation of the Abuja Treaty, is now in operation, having come into force on 25 February 1998 upon signature by the Executive Secretaries of ECOWAS, SADC, and IGAD, the Acting Secretary General of COMESA and myself in my capacity as the Secretary General of the Community. We now have in place an effective framework for coordinating our programmes and cooperation in programme implementation, as well as for pooling our resources in support of the efforts of our Member States in this collective endeavour.

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In this collective entreprise, we should take advantage of the improving political and socio-economic environment on our continent as a result of  $\beta \circ L \rightarrow \beta \circ L \rightarrow \beta$  strenuous and courageous efforts by our countries towards economic recovery and development and building peace, security and stability. However, more efforts need to be made to consolidate these achievements and sustain the encouraging economic performance most our countries have been able to register over the last years. In view of this progress, Africa is becoming the centre of various initiatives by our external partners.

While it is important to welcome and indeed encourage genuine international partnership in support of Africa's efforts we should however ensure, at the same time, that the agenda and direction of our development are firmly within our control.

In this regard, I would like to stress the need for the international partnership we seek to build with our external partners to address those thorny problems that constrain Africa's development efforts, in particular the external debt problem and debt service obligations; investment in the transport and communication infrastructure, including rehabilitation and maintenance of existing infrastructures and; increased external resources to support Africa's development effort - both official development assistance and foreign direct investment. These are indeed among the areas of top priority identified in the Cairo Agenda for Relaunching Africa's Political, Social and Economic Development.

Beside identifying these areas for partnership, the Cairo Agenda has also reaffirmed the commitment of all our countries to the principles of good governance and the greater democratisation of African societies, and the observance of the rule of law and human and peoples' rights. These principles are being pursued by our countries with determination, as issues on which Africa has a clear perspective and vision.

It is with the same determination and with a sense of purpose that we should work vigorously towards building and strengthening our national and collective capacity to defend our interests in the emerging new world economic order. The African Economic Community does provide us with a viable framework for broadening the horizon of the current adjustment and reform programmes being undertaken by our countries to lay special emphasis on promoting critical capacities in the continent which are commensurate with the

requirements of accelerated implementation of the Abuja Treaty and Africa's full integration into the emerging new global economy.

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Indeed, Africa's contribution to the birth of the new international economic system was at best marginal and its participation peripheral. These were the hard realities that confronted our Ministers in Singapore, during the first WTO Ministerial Conference in December 1996. A second WTO Ministerial Conference comes up next month, in Geneva, and we have to ensure that Africa participates in it effectively in order to defend its vital interests.

I wish to emphasise that our best weapon remains our unity, solidarity and cohesion in articulating and defending our common interests. The ECOSOC constitutes a unique forum for exercising that sense of unity, solidarity and cohesion. I am confident that this meeting will provide an opportunity to re-dedicate ourselves to the ideals of African unity and to the objective of the Abuja Treaty on the establishment of the African Economic Community as the common ground of our shared destiny.