

ORGANIZATION OF
AFRICAN UNITY

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P. O. Box 3243



ADDIS ABABA

ORGANISATION DE L'UNITE
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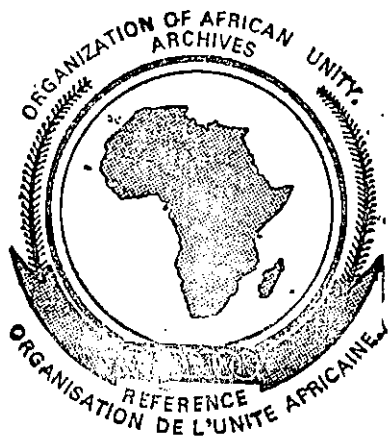
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COUNCIL OF MINISTERS
Seventeenth Ordinary Session
June 1971.

ORIGINAL: English

CM/395

AFRICA AND UNCTAD



AFRICA AND UNCTAD

A - Introduction

1. It would be recalled that the operative part of Resolution CM/Res. 220(XV) adopted by the Fifteenth Ordinary Session of the Council of Ministers of the OAU and subsequently approved by the Seventh Ordinary Session of the Assembly of Heads of State and Government, has included the following:-

- (a) Reaffirmation of the support of the Council of Ministers of the OAU to the principle of establishing a General Scheme of Preferences,
- (b) Calling on the developed countries to implement resolution 27 (II) of the Second UNCTAD related to the transfer of financial aid to developing countries,
- (c) Affirmation of its support for a ministerial meeting of the group of seventy-seven to precede the Third UNCTAD,
- (d) Recommendation that an African Ministerial meeting should be held some time before the ministerial meeting of the group of seventy-seven.

2. The same resolution also requested the Administrative Secretary-General of the OAU and the Executive Secretary of the ECA to take all the necessary steps towards convening the African Ministerial meeting and to give it all the necessary help needed to accomplish its aim. It also requested the General Secretariat of the OAU to present to the next ordinary session of the Council of Ministers a report on the follow up of the resolution.

3. This document is prepared in the light of the said resolution and thus it will deal with the following points:-

- (a) the steps which were taken by the General Secretariat in implementation of the resolution,
- (b) the different activities the General Secretariat is undertaking in preparation for the Third UNCTAD which will be held in Santiago, Chile (from 13 April to 10 May 1972).

(c) the meetings which will be held by the General Secretariat or in which the General Secretariat will participate in preparation also for the Third UNCTAD,

(d) the number of the General Secretariat's personnel which is required for those meetings and an approximate figure of the funds required to enable them of doing so.

B - The follow up of Resolution CM/Res.220(XV)

4. Immediately after the resolution was passed the following action was taken by the General Secretariat:-

(a) The African Group in UNCTAD, the Group of 77, and the Secretariat of UNCTAD were all informed of the resolution and the reaffirmation of the Council of Ministers of the OAU of its support to the principle of establishing a General Scheme of Preferences. This was done in an appropriate time because both the second part of the Fourth Session of UNCTAD Special Committee on Preferences as well as the Fourth Special Session of the Trade and Development Board took place in October 1970. That is after the resolution was adopted and its contents were conveyed to all concerned. It is a common knowledge by now that the Trade and Development Board has adopted in its Fourth Special Session a general system of preferences which meets to some extent the views expressed by the African Group and the Group of 77. An appropriate reference to this was incorporated by the General Assembly of the United Nations at its twenty-fifth session, in the international Development Strategy for the Second U.N. Development Decade. This takes care of operative paragraph 1 of the resolution.

(b) As to operative paragraph 2 concerning the transfer of financial aid to the developing countries in implementation of resolution 27 (II) of the Second UNCTAD, the General Secretariat conveyed the Council's decision on that to the Executive Secretariat of the OAU in New York and requested it not only to bring it to the attention of the African delegates attending the 25th General Assembly of the United

Nations, but also to see to it that they emphasize in their statements that if the Second U.N. Development Decade is to succeed, Resolution 27 (II) of the Second UNCTAD is to be implemented as early as possible. This was done in September 1970, that is one month before the launching of the Second U.N. Development Decade in the General Assembly on 24th of October 1970. It is worth mentioning here that the 25th Session of the General Assembly of the U.N. has adopted resolution 2626(XXV) on International Development Strategy for the Second United Nations Development Decade which meets to a substantial extent the demands of the African Group in this respect.

- (c) As to operative paragraph 3 of the resolution which concerns the Council's support for a ministerial meeting of the Group of 77 to precede the Third UNCTAD, the General Secretariat made the decision of the Council known to both the African Group and the Group of 77 in Geneva. All of us know that it has been decided to hold a ministerial meeting of the 77 in Lima (Peru) from the 1st to the 6th of November 1971. This meeting is to be immediately preceded by a meeting of the Expert Group of the 77 in the same venue from the 25th of October to 31st of October 1971. The chairman of the African Group in Geneva has per his letter dated 18th of March 1971 informed the General Secretariat of this and of the other preparatory arrangement which is being made by the African Group in preparation for this meeting. In his letter which appears as Annex 1 to this report the chairman of the African Group in Geneva emphasized the usefulness of more co-operation and co-ordination between Addis Ababa and Geneva, and requests the services of the General Secretariat in different respects.
- (d) As to the fourth operative paragraph of the resolution which has to do with convening an African ministerial meeting before the meeting of the 77, the General Secretariat has been in constant consultations with the ECA concerning the date, the venue, and the agenda of that meeting. It has been found convenient to everybody concerned to hold the meeting in Addis Ababa from the

8th to the 14th of October 1971. The agenda for the meeting which will include most of the items which will appear on the agenda of both the meeting of the 77 and that of the Third UNCTAD with more emphasis on the items of more interest to Africa, is under preparation by the OAU and the ECA and in consultation with the African Group in Geneva. The General Secretariat has also requested the Advisory Committee on Budgetary and Financial Matters of the OAU to make available for the General Secretariat the funds required for holding that meeting in co-operation with the ECA. The Advisory Committee has approved that and it is hoped that the Council of Ministers in its Sixteenth Session will uphold the recommendations of the Advisory Committee in that respect. Letters of invitations for the meeting were signed jointly by the Administrative Secretary-General of the OAU and the Executive Secretary of the ECA and were dispatched to all Member States.

(e) Operative paragraph 5 of the resolution requests the Administrative Secretary-General of the OAU and the Executive Secretary of the ECA to take all the necessary steps towards convening this African meeting and to give it all the necessary help needed to accomplish its aims. It has been mentioned in the above paragraph that consultations between the two organizations concerning this matter has been going on and are still going on very smoothly and in a spirit of utmost co-operation. Every aspect of the preparations for the meeting including the production of documents, has been discussed, agreed upon and divided between the two Secretariats. All indications show that the meeting take place and will go a long way in harmonizing the African views on Trade and Development matters.

(f) Finally this whole report is prepared and submitted to the Seventeenth Council of Ministers of the OAU in implementation of operative paragraph 6 of the resolution.

C - Activities of the General Secretariat in Preparation
for the Third UNCTAD

5. It should be stated at the outset and before mentioning the activities of the General Secretariat of the OAU in preparation for the Third UNCTAD, that the activities of any organization dealing with economic, social or political matters is always limited to the extent of the resources at the disposal of such organization. By resources, it is meant not only financial resources but also manpower. It is to be recalled that the Memorandum on the Responsibilities and Role of the Organization of African Unity in the Economic and Social Fields adopted by the Fifteenth Ordinary Session of the Council of Ministers and approved by the Seventh Session of the Assembly of Heads of State and Government have affirmed beyond any doubt the determination of the leaders of Africa to make the Organization of African Unity the policy making body and the driving and controlling force behind any undertaking aimed at the economic and social development of the continent. It has set forth the commitments and responsibilities of the OAU in the economic and social fields, it has prescribed the working methods and means of action and it has identified the economic and social priorities of the continent. Above all it has emphasized that the Council of Ministers should provide the OAU General Secretariat with all the necessary means to increase its possibilities for studying economic and social programmes for the continent, as well as the requisite facilities for strengthening its activities in the administrative co-ordination of work performed by the African Groups within international organizations of an economic and social character. Unless this decision is implemented the activities of the General Secretariat will remain limited in its scope and effectiveness. The African Groups within the different international organizations realizing the usefulness of the services performed by the General Secretariat has time and again requested the General Secretariat to do several things on their behalf. This has not been fully and effectively performed as a result of the very limited means at the General Secretariat's disposal. In the light of this the activities of the General Secretariat in preparation for the Third UNCTAD should be viewed.

6. In a spirit of understanding and co-operation the Secretariats of the OAU and the ECA have studied the whole issue of the preparation for the Third UNCTAD. They have agreed to divide the work required between themselves to avoid any overlapping which may result in any waste of time or resources. It was agreed that several meetings should be jointly organized by the two Secretariats. It was also agreed that the two Secretariats should attend several meetings which are found to be most essential for the clear understanding of the issues of interest to Africa in the fields of Trade and Development. These two sets of meetings will be the subject of the next chapter of this document.

7. In the course of consultation between the two Secretariats it was recognized that it would be most useful for the African delegates attending the different meetings preceding the Third UNCTAD as well as the big meeting itself that they should have before them studies prepared by the two Secretariats dealing with matters such as the following:-

- (a) Identification of products which could be traded among African countries,
- (b) Criteria to be applied in formulating rules of origin in inter-African trade liberalization,
- (c) Relations between African currencies and the currencies of developed countries,
- (d) Multinational co-operation in marketing of African export commodities,
- (e) An overall review of trends and prospects in Africa's trade,
- (f) Structural factors impeding or facilitating economic development,
- (g) International financial and monetary issues,
- (h) Non tariff barriers,
- (i) The link between SDRs and additional development finance,
- (j) Economic co-operation in Africa,
- (k) Action programme in favour of the least developed countries in fields within UNCTAD terms of reference.

Other studies closely related to the fields of trade and development are under consideration.

8. It has been agreed that the General Secretariat of the OAU would be responsible for three main studies other than some position papers on some issues. These three main papers are:-

- (a) The study on the Economic co-operation in Africa,
- (b) The study on the link between the SDRs and additional development finance,
- (c) The study on the action programme in favour of the least developed countries in fields within UNCTAD's terms of reference.

Some of these studies will be ready for the OAU/ECA joint meeting on trade and development which precedes the Eleventh Session of the Trade and Development Board. All of them will be ready for the African Ministerial meeting on Trade and Development.

D - Meetings which will be held by the General Secretariat or in which the General Secretariat will participate

9. The General Secretariat of the Organization of African Unity will be directly involved in the organization of the following meetings in 1971 preparatory to UNCTAD III.

- (a) the sixth OAU/ECA joint meeting on Trade and Development which will take place in Geneva from the 12th to the 20th of August 1971. The provisional agenda for this meeting as agreed upon by the OAU and the ECA appears as annex II to this document. It will be discussed with the African Group in Geneva before a final provisional agenda is prepared.
- (b) The annual OAU/ECA meeting on monetary issues and Finance which will take place in Washington D.C. from the 21st to the 26th September 1971,
- (c) The African Ministerial meeting preparatory to UNCTAD III which will be held in Addis Ababa from the 8th to the 14th of October 1971.

The provisional agenda for this meeting will be prepared at a later date in the light of the provisional agenda of UNCTAD III and the discussions that will take place between the OAU/ECA on one side and the African Group on the other.

10. Besides this, the General Secretariat will participate in the following meetings in 1971 as part of the preparations for UNCTAD III, mainly to assist and service the African Group at these meetings.

- (a) The eleventh session of Trade and Development Board which will be held in Geneva from the 24th August to the 17th September 1971,
- (b) The annual meeting of the IBRD and IMF which will be held in Washington D.C. from the 27th to the 30th September 1971,
- (c) The Ministerial meeting of the Group of 77 and the meeting of experts preceding it which will be held in Lima (Peru) from the 25th October to the 6th of November 1971.

All of this is in preparation for the UNCTAD III which will be held in Santiago (Chile) from the 13th of April to the 10th of May 1972 and which will be attended by the representatives of the OAU to assist and service the African Group in the same way that was done in UNCTAD I and UNCTAD II.

E - Manpower and Financial Requirements for the Different Meetings

12. These requirements will be as follows:

- (a) The Sixth OAU/ECA joint meeting on Trade and Development, Geneva
This meeting which is the sixth of its kind is normally attended by two officers from the Economic and Social Department of the General Secretariat. This is the minimum requirement and the cost of this will be as follows:

Share of the OAU in technical arrangement	
on 50/50 basis with ECA	U.S.\$ 2,500.00
Per diem, air fare, excess baggage	
etc. for two persons	1,922.00
	<hr/>
TOTAL	U.S.\$ 4,422.00

- (b) The annual OAU/ECA meeting on monetary issues and finance, Washington D.C. This meeting is to be attended by one person the cost will be as follows:

Per diem, air fare, etc.	U.S.\$ 1,825.00
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- (c) The African Ministerial meeting on Trade and Development, Addis Ababa. This meeting will be serviced by the OAU and the ECA. All members of the Economic and Social Department of the General Secretariat will be there. The cost of holding the meeting will be shared between the OAU and the ECA on 50/50 basis, the OAU share will be U.S.\$ 5,000.00
- (d) The eleventh session of the Trade and Development Board, Geneva. This meeting is normally attended by two officers of the Economic and Social Department of the General Secretariat. They assist and service the African Group during the meeting. Since this meeting will be preceded by the OAU/ECA joint meeting no air fare or excess cost will be needed. The only cost will be the per diem which will amount to U.S.\$ 972.00
- (e) The annual meeting of the IBRD/IMF, Washington D.C. Since this meeting follows immediately the meeting of the OAU/ECA on monetary issues and finance at the same venue no travel cost will be involved. What would be needed is the cost of per diem for six days for one person which will amount to U.S.\$187.00
- (f) The Ministerial meeting of the 77, Lima, Peru. This meeting requires the participation of three officers from the OAU Secretariat. The last meeting of the 77 held in Algiers was attended by two persons but it was found out that this was not adequate. The cost involved will be U.S.\$7,395.00

13. Thus the total funds required to enable the General Secretariat of performing the job of preparation for UNCTAD III will be U.S.\$19,801.00

The break down is as follows:-

(a)	OAU/ECA joint meeting on Trade and Development	U.S.\$4,422.00
(b)	OAU/ECA joint meeting on Monetary issues	1,825.00
(c)	African Ministerial meeting on Trade & Development	5,000.00
(d)	UNCTAD eleventh board	972.00
(e)	IBRD/IMF meeting	187.00
(f)	Ministerial meeting of the 77	<u>7,395.00</u>
	TOTAL	U.S.\$19,801.00 =====

14. In the course of the first half of 1972 the UNCTAD III will take place in Santiago, Chile. Three members of the General Secretariat will have to attend. UNCTAD II was attended by two persons, but this number was not sufficient to cope with all the needs of the African Group during the meeting. The cost of attending UNCTAD III will be U.S.\$4,897.00. Thus the total funds required for the preparations for the UNCTAD III and for attending the big meeting itself would be U.S.\$24,680.00

15. It is to be noted that the General Secretariat has tried to put before the Council of Ministers not only a report on the follow up of Resolution CM/Res.220(XV) adopted by the Fifteenth Ordinary Session of the Council of Ministers but also gave an account of the preparations being undertaken by it for the UNCTAD III as well as the requirements needed to do the job. It is hoped that the Council, in the light of the crucial effect UNCTAD III would have on the development of the economies of individual African states as well as the continent as a whole, would adopt this report and approve the expenditure involved. That is the financial implications.

No. 00261 MPT

Geneva, 18 March 1971.

Mr. Administrative Secretary-General,

As Chairman of the African Group in Geneva, I have the honour to inform you of the following:

1) During its resumed Tenth Session held from 1 to 9 March 1971, the Trade and Development Board decided to recommend to the United Nations General Assembly that the third session of UNCTAD be held in Santiago, Chile from 13 April to 10 May 1972.

2) In compliance with the Algiers Charter, the Group of the Thirty-one developing countries who are members of the Board decided, for its part, that the Group of 77 should hold a ministerial meeting prior to the third UNCTAD in Lima, capital of Peru. The date of this meeting has just been fixed for the week starting from 1 to 6 November 1971.

3) A Preparatory Committee was set up, in this connexion, at the level of the 77 to proceed with preliminary discussions.

The African Group is represented in this Committee by the delegations of the following ten countries:

- Algeria, Democratic Republic of Congo, Ethiopia, Gabon, Ghana, Ivory Coast, Nigeria, People's Republic of Congo, United Arab Republic and Tunisia.

4) The entire African Group in Geneva has decided to serve as a Preparatory Committee for the meeting of the African Ministers of Trade which is supposed to precede that of the Group of 77 and which was approved in principle at both OAU and ECA levels following the recommendation by the ECA/OAU joint meeting of Experts in 1970.

The Administrative Secretary-General
of the Organization of African Unity
Addis Ababa, Ethiopia.

5) It was also agreed that the preparations for the meeting of the African Ministers should be completed during the forthcoming session of the OAU/ECA joint Meeting of Experts next summer.

6) As regards a suitable date and venue for the Ministerial Meeting, the African Group calls on your Secretariat to be kind enough to consult African Governments/^{and} thereby facilitate co-ordination in this respect.

7) Pending a decision on this matter, the African Group in Geneva would like to have your views on matters relating to Africa which should be considered in depth in preparation for the Third UNCTAD.

8) At the resumption of its Tenth Session the Trade and Development Board was not able to take a decision on the provisional agenda of the third UNCTAD. The question will be re-considered at the Eleventh session which will be held from 24 August to 17 September 1971.

9) Please find herewith attached the list of the main items of the draft provisional agenda submitted by the Group of 31 during the last meeting of the Board.

10) Acting as the spokesman of the African Group in Geneva, I wish to say that we would very much like greater co-ordination between Geneva and Addis Ababa and that, to this end we count on your personal good-will.

Please accept, Mr. Secretary-General the assurance of my high consideration.

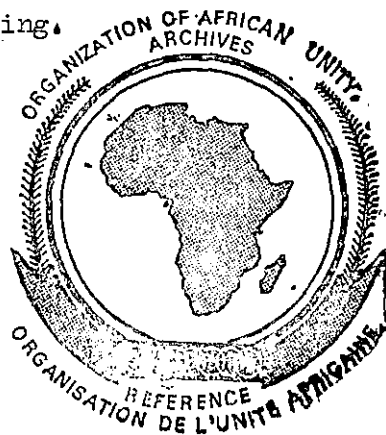
Permanent Representative

MOHAMED SAYEH
(Ambassador)

PROVISIONAL AGENDA

Sixth Joint OAU/ECA Meeting
on Trade and Development
Geneva, 12-20 August 1971

1. Opening of the meeting.
2. Election of officers.
3. Adoption of the agenda and organization of the work of the meeting.
4. The African position at the Third Session of the United Nations Conference on Trade and Development
 - (a) Commodity problems and policies;
 - (b) Manufactures and semi-manufactures;
 - (c) Growth, development finance and aid;
 - (d) Policies for the development of shipping and the reduction of maritime transport costs;
 - (e) Trade expansion, economic co-operation and regional integration among developing countries;
 - (f) Special measures for the least developed among the developing countries;
 - (g) Transfer of technology.
5. Other issues
 - (a) Trade promotion;
 - (b) African monetary problems.
6. Any other business.
7. Date and place of seventh meeting.
8. Adoption of the report.



1971-06

Africa and UNCTAD

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