



- Concept Paper -

Africa Industrialization Day
***“African Industrial Development: A Pre-Condition for an Effective
and Sustainable Continental Free Trade Area (CFTA)”***
High Level Conference

20 November, 1:15 pm – 2:30 pm,
Conference Room 8, United Nations, New York

1. Background

In 1989, the General Assembly proclaimed 20 November as “Africa Industrialization Day” to mobilize commitment from the international community to the industrialization of Africa.

Since then, UNIDO – as the specialized agency of the United Nations for promoting inclusive and sustainable industrial development – has been leading this celebration through organizing outreach events on the topic including in Vienna and New York. The goal is to raise awareness of the importance of industrialization in African development and to galvanize international support from stakeholders, including governments, the private sector, academia and civil society.

As in previous years, UNIDO, in collaboration with the Office of the Special Adviser on Africa (OSAA) and the Office of the Permanent Observer of the African Union to the United Nations (AU), will celebrate Africa Industrialization Day by organizing a high level event. This year’s celebration will be under the theme “*African Industrial Development: A Pre-Condition for an Effective and Sustainable Continental Free Trade Area (CFTA).*” The event will take place on Monday, 20 November 2017.

2. Theme

The Continental Free Trade Area (CFTA) was launched by African Heads of States in 2015 to create a single market for Africa. As the first flagship project of the African Union’s (AU) Agenda 2063, the CFTA aims to open the economies of fifty-four African countries to trade, combined possessing a population of more than one billion people and a gross domestic product of more than US \$3.4 trillion.

When implemented, the CFTA will significantly help to drive structural transformation and poverty eradication in Africa. The CFTA will enable the free movement of business persons and investments, expand intra-African trade, resolve challenges of multiple and overlapping memberships, and enhance competitiveness at the industry and enterprise level.

However, the success of the CFTA in facilitating structural transformation and poverty eradication also depends on the ability of countries to industrialize. Trade liberalization can help countries exploit opportunities for scaled production, continental market access and better reallocation of

resources, but not without key contributors to industrialization such as upgrading productive capacities, increasing technological transfer and institutional capabilities, prioritizing strategic industrial sectors where Africa has comparative advantages, and investing in relevant infrastructure improvements. In order for the CFTA to create structural transformation, coherent, rapid and robust industrial policy strategies must be implemented at the country level.

The theme of this year's Africa Industrialization Day (AID), "*African Industrial Development: A Pre-Condition for an Effective and Sustainable Continental Free Trade Area (CFTA)*," aims to raise awareness around this issue. As 2016 marked the beginning of the Third Industrial Decade for Africa (IDDA III), this year's AID continues to play a special role in promoting the acceleration of sustainable industrial development in Africa, of which integration between government policies and the private sector is a critical component.

More broadly, support for African industrialization has never been stronger. In addition to IDDA III, international forums, ranging from TICAD VI to the G20 Summit, are stressing industrialization in Africa and Least Developed Countries (LDCs). The 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs), in particular Goal 9 and the Addis Ababa Action Agenda have made world leaders and partners centrally responsible for operationalizing Africa's industrialization. The time has come to transform these good intentions into tangible action.

In the context of the CFTA, participants are asked to consider how we can develop and enhance our intra-African trade in manufactured goods, accelerating industrialization and the promotion of regional value chains and corridors. The event will seek to answer the following questions:

- If the CFTA were fully implemented today, what impact would it have on structural transformation and poverty eradication, given the current state of industrialization in African countries?
- What industrial policies are necessary in order for the CFTA to have the greatest possible impact?
- Can the implementation of the CFTA help to facilitate industrialization? If so, how?
- What are best practices learned from other regions in implementing similar trade agreements in fostering industrialization?
- How can international development partners, including the UN system, help to promote industrialization and industrial policy within the context of the CFTA?

3. Agenda

The High Level Event will be jointly organized by the United Nations Industrial Development Organization (UNIDO), the Office of the Special Adviser on Africa (OSAA) and the Office of the Permanent Observer of the African Union to the United Nations (AU). The event will include opening remarks by relevant stakeholders, a panel of leading experts on the topics of industrialization and the CFTA, and will also provide an opportunity for key stakeholders and development partners from the audience to address the topic.

4. Outcome

The event will 1) increase awareness of the importance of inclusive and sustainable industrial development in Africa for the success of the CFTA and structural transformation more broadly; 2) present recommendations for relevant policies, strategies and regulations to develop industrial policy in coordination with free trade agreements as a principal mechanism to eradicate poverty; 3) increase awareness of the CFTA and issues surrounding its implementation.

5. Venue

The event will take place in Conference Room 8 in the Conference Building at UN Headquarters. The audience will comprise of representatives of Member States, UN organizations, the private sector, academia and other relevant stakeholders.