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**Draft report of the Trade and Development Board on its
fifty-eighth session**

Held at the Palais des Nations, Geneva, from 12 to 23 and 28 September 2011

Contents

	<i>Page</i>
Sessional Committee II	
Economic development in Africa: Fostering industrial development in Africa in the new global environment	
Agreed conclusions	2

Sessional Committee II

Economic development in Africa: Fostering industrial development in Africa in the new global environment

Agreed conclusions

The Trade and Development Board

1. *Recognizes* the increasing political commitment to industrial development in Africa and the important role that industrialization could play in boosting economic growth, creating employment and reducing poverty;
2. *Recognizes* the importance and the necessity to strengthen the initiatives undertaken by the African countries, in particular the New Partnership for Africa's Development (NEPAD) and Accelerated Industrial Development of Africa (AIDA), to drive their industrial development;
3. *Welcomes* the UNCTAD secretariat's *Economic Development in Africa Report 2011*, subtitled *Fostering Industrial Development in Africa in the New Global Environment*, and commends the secretariat for collaborating with the United Nations Industrial Development Organization (UNIDO) in producing the report;
4. *Takes note* of the key message of the report – that Africa needs a new industrial policy to induce economic transformation, create employment and reduce poverty;
5. *Acknowledges* that the State, while designing industrial policy, should give priority to consulting with the private sector and entrepreneurs, amongst other key stakeholders. *Recognizes* the importance of the State as one of the industrial players. The State shall provide an enabling environment, and identify and remove the constraints facing these actors. Collaboration among all stakeholders is critical for a successful industrial policy;
6. *Expresses concern* that Africa still does not play a major role in either global manufacturing production or trade and that the region's share of global manufacturing value added and exports has been stagnant at about 1 per cent over the last 10 years;
7. *Notes* that promoting scientific and technological innovation, creating inter-sectoral linkages in the domestic economy, promoting entrepreneurship, and enhancing coherence between industrial and other economic policies, are important in fostering industrial development in Africa;
8. *Stresses* that the promotion of industry should not be achieved at the expense of the agricultural sector. Industrialization and agricultural development should be regarded as complementary processes;
9. *Stresses* also the importance of economic diversification in boosting growth and development in which international cooperation – including North–South, South–South, triangular and interregional cooperation – can contribute to accelerating economic development in Africa. In this regard, requests UNCTAD, within its mandate and its existing resources, to further strengthen its efforts in this area;
10. *Takes into account* that the current global environment as presented by the factors in chapter 5 of the Report presents challenges and opportunities for industrial development in Africa;

11. *Invites* Africa's development partners to continue and where possible to strengthen support for economic transformation of the region as an important step towards reducing vulnerability to shocks and, more generally, building productive capacities required for sustained growth and development, including employment and poverty reduction;

12. *Encourages* development partners to continue their cooperation, including ongoing commitments to development assistance, to enable economic transformation of African countries;

13. *Requests* UNCTAD, within its mandate and its existing resources, to continue to undertake policy-oriented research on economic development issues and challenges facing African countries and to strengthen efforts to disseminate its research findings.
