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**AFRICA UNION COMMISSION,
DEPARTMENT OF TRADE AND INDUSTRY
INDUSTRY DIVISION**

9th STRATEGIC STAKEHOLDERS RETREAT

16th-17th December 2020, Virtual Event

Concept Note

1. Background and Rationale

- 1.1. The Industry Division in the Department of Trade and Industry of the African Union Commission is mandated to formulate, implement and harmonize industrial development policies on the continent. The Division works with different stakeholders including the Private Sector, Regional Economic Communities (RECs), Member States (MS), civil society, industry policy and research think tanks and development partners.
- 1.2. The Division has implemented a number of activities in the year 2020 and this includes, the Industrialization Week (AIW2020) which had a number of parallel sessions and whose recommendations will feed into the Summit on Industrialization and Economic Diversification to be held in November 2021. The Weeklong event which was attended by the private sector, RECs, MS, and Development Partners, also laid the foundation for enhanced and regular interface between key stakeholders to drive industrialization initiatives in the continent. Among other outcomes, the week called on stakeholders to forge strong partnerships for industrialization of the continent.
- 1.3. Over the years, the Division has been organizing stakeholder retreats that have brought together industrial policy makers from AUC, International Development Organizations including, UN agencies, Regional Economic Communities (RECs) and member states. They have provided a platform for key stakeholders to exchange knowledge on key programming areas that include industrialization, to enhance the Division's capacity to leverage counterparty agency capacity to effectively deliver their mandate. It has also provided a platform where ideas have been shared on how the continent can forge ahead with the industrialization drive.

2. Justification

- 2.1. The momentum in the ratification of the Africa Continental Free Trade Area (AfCFTA) which is aimed at boosting intra-African Trade, requires among others for the continent to look at the supply-side and hence industrialization is pivotal. The AfCFTA will create a big market for African manufactured goods given an estimated market value of US\$3 trillion, and a consumer base of 1.2 billion, thus unleashing opportunities for scale economies in the continent.
- 2.2. An inclusive and sustainable industrialization drive for Africa will be vital for employment, especially among the youth and women. The continent's population is youthful and continues to grow, with over 40 percent of the population under the age of 15 and 20 percent between the ages of 15 and 24. Thus, Africa has the fastest growing and most youthful population in the world, with the United Nations estimating that the continent's population increased from 1.2 billion in 2016, to 1.3 billion in 2017, creating new challenges and opportunities for the economy.
- 2.3. The UN estimates show that that more than half of the global population growth between now and the year 2050 will occur in Africa. A third of young persons will be living in Sub-Saharan Africa by 2050 and currently the continent has a youthful population of a child bearing age. This, therefore, requires job creation so as to absorb the growing labor force and industrializing the continent will be the linchpin for job creation. With the Advent of the COVID-19 pandemic, the building resilient industries for job creation cannot be overemphasized.
- 2.4. For the continent to forge ahead in its industrialization drive, there is need for different stakeholders to work together and have one voice. There is need to build synergies in both policy formulation and programme implementation. It is also important for stakeholders to learn from each other as well embrace regional and international best practices to enrich the industrialization agenda. Stakeholder engagement and continuous discourse and dialogue on industrial policy will remain a vital component of programming, both at continental, regional and Member State level.
- 2.5. It is given this background, that the Industry Division of the Department of Trade and Industry in the AUC is organizing the 9th strategic stakeholders retreat. The retreat will be held on 16th-17th December 2020 virtually.

3. Objectives

3.1. The overall objective of the retreat is to strategically discuss how to strengthen partnerships and agree on joint work plans for 2021 and beyond as well as to clarify the roles and responsibilities of Partners, Regional Economic Communities (RECs) and the involvement of stakeholders in the implementation of industrialization initiatives on the continent.

3.2. The specific objectives of the retreat include:

- a. Reviewing the activities implemented by the Industry Division in 2020 including milestones made; and challenges;
- b. Review what the RECs and other development partners have done in 2020 in the area of industrialization;
- c. Explore areas of mutual interest with the stakeholders and identify areas of cooperation; and
- d. Identify bottlenecks for industrialization on the continent and how these can be addressed going forward.
- e. Sustain the momentum this far as a build up to effectively hosts the Summit on Africa Industrialization and Economic Diversification in 2021.

4. Targeted Participants

4.1. The stakeholders will be drawn from a multi-stakeholder base that will include AUC, Member States, RECs, UN agencies, private sector including financial institutions, this subset of participants is actively involved in industrialization programmes on the continent.

4.2. The stakeholders have been deliberately chosen to enrich knowledge exchange about industrialization on the continent, whilst at the same time creating opportunities for partners to effectively engage across the Africa Industrialization Agenda.

5. Expected Outputs

5.1. The Strategic Retreat is expected to generate the following outputs:

- A viable platform for continuous and fruitful interface between the Department and its partners;

- An objective platform for enriched knowledge exchange between the Division and key stakeholders to strengthen programme delivery;
- Insights into new programming opportunities for the Division to strengthen its capacity to mainstream emerging issues in national, regional, continental and global industry and trading system;
- A viable platform to better position the Division to proactively respond to the expectations of the key stakeholders;
- Enhanced collaboration among various stakeholders for industrialization on the continent and beyond; and
- A coordination framework towards a successful **Summit on Africa's Industrialization and Economic Diversification in 2021.**

6. Date and Venue

Date: 16th-17th December, 2020

Venue: Virtual

7. Working Languages

English and French will be the working languages of the retreat.

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