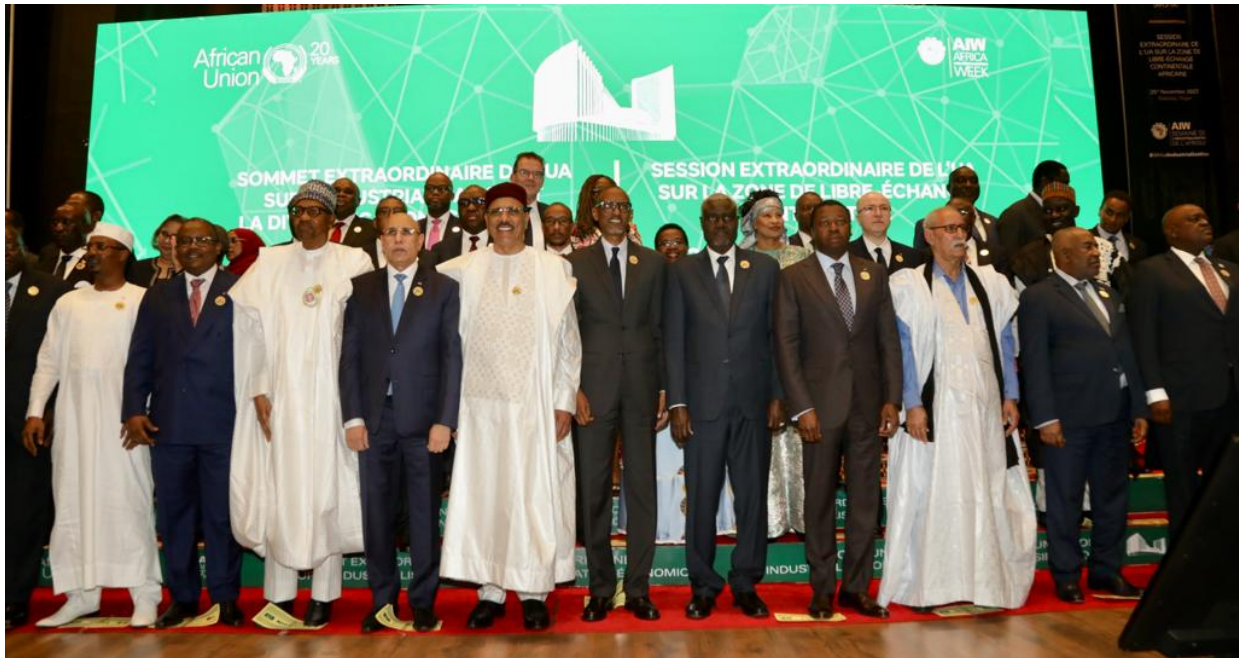


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Renewed commitment towards Sustainable Industrialization and trade: A recap of commitments by leaders at the just concluded Summit on Industrialization.

“Do you know that in my country, Niger, which has one of the largest herds in Africa, we import milk from France and Holland? That our immediate neighbors import meat from Argentina and New Zealand? These facts, astonishing as they are, are not a false paradox.” To demonstrate the urgency and importance for Africa to industrialize, **H.E. Mohamed Bazoum, President of the Republic of Niger** highlighted the reality in some African countries due to the low level of industrialization.

The African economy is heavily dependent on the production and export of primary products and consequently suffers from the associated risks of this dependence. In the renewed commitment towards an Inclusive and Sustainable Industrialization and Economic Diversification at the just concluded Extraordinary Summit on Industrialization and Economic Diversification, and Extraordinary Session on the African Continental Free Trade Area convened on the 25th November 2022 in Niamey, Niger, African leaders were firm on the motive for coherent industrialization and the strong linkages between industrial productive capacity, economic growth, and level of development.

Abundantly endowed with natural resources, including many industrial minerals and agricultural resources, Africa must pay close attention to critical priorities that need to be addressed at national, regional, continental, and international levels to promote the coherent industrial development that includes: natural resources management and development; infrastructure development; human capital development; innovation,

science and technology; legal, institutional and regulatory frameworks; and resource mobilization.

In highlighting the challenge of production, H.E. Bazoum equally stated what his country intends to do to turn the wheels on misfortune into sustainable development. “The industrialization that we want for livestock production is one that allows us to feed Africans, to create quality jobs, to make dairy and meat products available in quantity and quality at affordable and competitive prices everywhere. It must incorporate local added value and be done within the framework of natural regional basins that make the best use of local resources, leading to cooperation based on complementarity, which in turn generates solidarity.” Read the full statement [here](#).

“On the other hand, as we implement our texts, it is essential to continue building basic transport and logistics infrastructure. Trade and integration will remain wishful thinking if we remain isolated from each other, and if, to travel within the continent, we are sometimes forced to transit through the outside world.” **H.E. Macky Sall, the President of the Republic of Senegal, and African Union Chairperson 2022**, says infrastructure development is inevitable as Africa moves towards increased industrialization. “There is an urgent need to improve our production tools, including energy, digital, logistics and transport infrastructures to support the productivity of our industries. There is an urgent need to ensure the employability of our young people by further developing technical and vocational training, so that, from the welder to the design engineer, our countries can have the human capital to support the structural transformation of industry at all levels: from the small SME-SMI to the large production unit. Without quality human capital, our resources will continue to be plundered, and the demographic dividend will be more of a handicap than an advantage in stimulating the development of the continent. I also draw the attention of our summit to the need to overcome the procedural and bureaucratic red tape that hinders the preparation and implementation of our projects. On the road to emergence, there must be no time wasted in undue formalities and delays.” Read the full statement [here](#).

“The pace of industrialization in Africa remains too slow to achieve Africa’s development goals under Agenda 2063. We need to invest more of our national budgets in industrial policy, and significantly increase energy and infrastructure capacity. We must also build stronger links between our universities and the private sector, to promote a culture of innovation that includes our young people,” **H.E. Paul Kagame, President of the Republic of Rwanda** underscored the urgency for the continent to unite in its quest to accelerate industrialization. “Times have changed, and the economic unity of our continent is more important than ever. We have not come this far, to slow down. Time and time again, we are reminded of the importance of working together. No one can make it alone. That is what we need to do in the coming months to fully realize the potential of this historic agreement, and of our great continent. I will not have to repeat the disturbing status of our continent’s industrialization and pace thereof. President Mohamed Bazoum has very eloquently laid it all out to us already.” Read the full statement [here](#).

“Beyond all these known dimensions that I have just recalled, I retain that industrialisation, economic diversification, the AfCFTA are certainly decisive. However,

it remains firmly established that the huge difficulties to be ironed out, both at the level of basic infrastructure and at the legal and technical levels, will never be overcome without strong political will. This condition has only one name: our unity and the strength of our transformative determination. It is up to Africa to arm itself with this will,” **H.E. Moussa Faki, Chairperson of the African Union Commission** underlined the importance of political will. He added, “Internally, industrialisation, associated with economic diversification, will upset all public policies to reconfigure them, in accordance with its own requirements, whether in terms of education and training policies, the business climate, standards and compliance, investment, competition, intellectual property and so on. These adjustments, to be made internally, are compounded by the effects, not always happy, of external dynamics. The latter remains decisive for the industrialisation of African countries. It makes it possible to achieve the necessary economies of scale to improve production and exports, attract external financing to compensate for the shortage of domestic savings, integrate into global value chains, strengthen demand for technology transfer, develop intra-African trade, through the various levers offered by the AfCFTA, whose progress I welcome.” Read the full statement [here](#).

“Currently the many dramatic crises are hitting Africa particularly hard. The COVID19 pandemic, with the ongoing severe economic consequences, exploding costs for energy and grain especially because of the war in Ukraine, and climate change with drought, floods and related disasters in many countries. Africa is not responsible for any of these crises. The rich industrialized countries must take on responsibility, for the economic and financial impacts,” **H.E. Gerd Muller, Director General, UNIDO** noted that Africa deserves justice, fair markets, fair trade, and access to finance on fair conditions. “Sustainable industrialization needs sustainable energy supplies, and the huge investments required for this. Africa has the potential to become the green continent of renewable energies and green hydrogen. With investments in agriculture, it is possible to become self-sufficient – to end hunger. The manufacturing sector can and must double. The goal is to process raw materials, to add value locally and to achieve a fair price through value chains and to create decent jobs through industrialization.” Read the full statement [here](#).

“It has now become possible to conduct intra-African trade payments in African national currencies. Today, a Nigerian can buy a product from Ghana and pay in Naira. The Ghanaian seller will receive in Cedi”, **Prof. Benedict Oramah, President, Afreximbank** restated the nexus between industrialization and trade facilitation. “Over time, Pan-African Payment and Settlement System (PAPSS) will spread across Africa. When that happens, we aim to save the continent at least 5 billion US dollars in transfer and settlement charges, while returning to our continent trades that are diverted to non-African markets due to use of third currencies to pay for intra-African trade. PAPSS constitutes the foundation on which strong and convertible national currencies will emerge.” Read the full statement [here](#).

“Without any doubt, Africa’s wealth must no longer depend on exports of raw materials but of finished value-added products. The door to poverty is from export of raw materials, the highway to wealth is industrialization”, **Dr. Akinwumi Adesina President, African Development Bank Group**, similarly, echoed the linkages between

industrialization and trade highlighting the various sectors that call for urgent action. For instance, related to agriculture, he observed that “the sector with the greatest potential for industrialization in Africa is agriculture. Africa has 65% of the uncultivated arable land left to feed the world, therefore how Africa develops its agriculture will determine the future of food in the world. Across Africa, we must turn cocoa beans into chocolates, cotton into textile and garments, coffee beans into brewed coffee.” Read the full statement [here](#).

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At the conclusion of the Summit, the Assembly of Heads of State and Government adopted a Decision and a Declaration reflecting their renewed commitment on actions to accelerate industrialization and economic diversification. Another decision was adopted reflecting the commitment on the Heads to States to accelerate actions for the continent to benefit from the full operationalization of the African Continental Free Trade Area.

For more details about the Extraordinary Summit, visit - <https://au.int/en/summit-africa-industrialization-economic>

For further information, please contact:

Doreen Apollos | Information and Communication Directorate | African Union Commission | Tel: +251 115 517 700 | E-mail: ApollosD@africa-union.org | Addis Ababa, Ethiopia.

Directorate of Information and Communication | African Union Commission | E-mail: DIC@africa-union.org
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