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Opening Remarks by HE Dr. Nkosazana Dlamini Zuma to the
NEPAD Heads of State and Government Orientation Committee

Kigali, 16 July 2016

Your Excellency, President Macky Sall, Chairperson of the Committee

Excellencies, Members of the Nepad Orientation Committee

Dr. Ibrahim Mayaki, Nepad AGENCY CEO

Excellencies, Ladies and Gentlemen

Welcome to this Session of the NEPAD Orientation Committee, and to the Summit in Kigali.

This is a working session, which really will focus on few key issues, which the Committee regards as critical.

The session takes place as we all geared towards focused implementation of Agenda 2063; with the NPCA Agency playing a critical role as the implementation agency of the AU. The Commission and the Agency have been engaged in discussions of the allocation of responsibilities, in the context of the Restructuring Project, so it is fit for purpose.

This includes strengthening the Agency' s capacity to drive implementation of our Agricultural and Agro-processing, Infrastructure, Science and Technology, Industrialisation programmes and priorities under Agenda 2063 and its flagship projects, working with the Commission and RECs.

I therefore wish this session fruitful deliberations and you are once again very welcome.

Your Excellencies, fellow Panelists

The session is expected to raise strategic issues as a context for the discussions on Africa's industrialization within Agenda 2063.

Our key message Africa's Industrial Development is at the core of the Structural Transformation and Job Creation Agenda on the continent

Given our growing population, the agricultural, energy, mineral and other resources that we have, and the need to build inclusive and shared prosperity, we have to look at everything as potential for manufacturing, but start with the sectors, value chains that we have already identified and studied. We have to make the start, and also build on the experience we are gaining.

The Commodity Strategy as one of the Agenda 2063 flagship projects must be done and presented, so that it can help with finalizing the sectors across regions and the continent that will be part of the Ten year Implementation plan. This does not exclude also paying attention to other country and regional initiatives.

This programme of industrialization must be at the core of the CFTA, of CAADP, of our infrastructure development programme, as well as our drive for the African skills revolution.

What do we need to do differently going forward?

There are 7 key points:

FIRST Education, Skills and Productivity: a paradigm shift required, a cultural revolution to change our education systems, mindsets, interconnecting with our key forces of change such as Urbanisation, Climate Change, etc. so we focus on STEM. We need more robust planning, skills development as well as managerial capacities to manage huge projects such as the Integrated High Speed Train, Grand Inga Dam, etc.

SECOND: The Green Economy and the Blue Economy – tremendous opportunity for Africa. As we plan to have our Industrialization take off, the world is thinking more about sustainability, about the Green Economy as well as the Blue Economy. This presents limitless opportunities for us to harness. Contrary to popular belief, all African countries are stakeholders in the blue economy. An example is Ethiopia which is landlocked but operates shipping companies. The private sector in the ECOWAS region and Women in Maritime are forging strategies to own shipping companies and we are in the process of signing an MOU with the Ship Owners Association comprising women who are already stakeholders in this industry.

THIRD: Industrial Development priorities to drive Infrastructure Development e.g. ENERGY

We need infrastructure, most critically energy in order to ensure that our manufacturing processes can be more efficient and more competitive compared to other regions. We are aware of the enormous potentials of hydropower that can be unleashed by the Grand Inga Dam (Agenda 2063 flagship) amongst other projects

on the continent. We need to explore peaceful means of harnessing nuclear energy amongst others as well.

This is why it is critical to also sort out our approach to Renewables, so that we start moving in a coordinated fashion, and not serve other agendas.

FOURTH: Financing for Industrial Development – Domestic resources are critical

We need political will to transform our performance in this regard, but this needs to be complemented by developing a clear Financing for Industrial Development blueprint – with enhanced mechanisms to ensure that we incentivize industry.

We need all AU Member States to give priority to funding allocations for industrial development at national, regional and continental levels and encourage the African Development Bank to move forward with the High Fives which will definitely contribute towards meeting our financing challenge.

There have been two STC meetings of Ministers of Finance, Planning and Integration which focused on the theme of industrialization in 2013 and 2014 respectively and we need to follow up on the implementation of the recommendations they made. If we do not invest in industrialization, we cannot expect enough jobs to be created for our people.

FIFTH: We need strong stakeholder engagement and partnerships across the continent and the Diaspora.

We need to engage with the private sector as well as civil society in order to have a real conversation about how to implement our continental frameworks including Agenda 2063 flagship projects in a manner that creates win-win outcomes.

This is one of the main reasons, we are proposing that we should work with the RECs, NPCA, etc. to prepare well for the Africa Economic Dialogue Platform which is scheduled for 19-22 March 2017. We need a retreat setting to have a frank engagement about what barriers we need to dismantle in order to boost intra-African trade, industrialization and infrastructure development.

In considering who should be at the table, we are requesting Heads of State to encourage the participation of successful young entrepreneurs and women entrepreneurs as well.

SIXTH: We need strategic partnerships to enable us to deliver on Industrialization.

We have several partnerships but few have yet delivered progress on industrialization. We are optimistic that we can change this situation.

For example, through our MOU with China we are doing further analysis on the role of Special Economic Zones in their development and we recognize that the People's Republic of China is putting up Green Industrial Parks, driven by solar and wind energy.

Through South-South Cooperation, we have the opportunity to promote business linkages between domestic and foreign firms, including small and medium sized enterprises, in order to exchange technology and best practices. We need to develop an ecosystem at national, regional and continental levels to support the emergence of entrepreneurs who are innovating in this area.

I thank you