

Senior African Policy Makers Reaffirm the Critical Role Of Industrialization in Economic Transformation of African Economies

At the Senior Policy Seminar XIX, held in Abidjan, Cote d'Ivoire, on 13-14 March 2017, and hosted by the African Economic Research Consortium (AERC), in partnership with the African Development Bank (AfDB) and UNU-WIDER on the theme: *Industrialization in Africa*, Senior Policy Makers and other stakeholders, private sector and civil society, from around the continent adopted a declaration as an affirmation of their strong commitment to accelerating industrialization.

The biggest challenge that Africa is facing today is non-inclusive growth in general, and youth unemployment and underemployment in particular, and these are in a large measure explained by the lack of transformation of African economies. Specifically, Africa has experienced de-industrialization relative to the 1970s. Furthermore, African governments have for a long time been underinvesting in capacity building (broadly defined), including R&D. Development of industry and structural transformation more broadly bear promise for inclusive growth and empowerment of youth and women in Africa. This senior policy seminar is, therefore, timely.

Declaration, Abidjan, March 14, 2017

We, African Senior Policy Makers and private sector actors assembled here at the AERC Senior Policy Seminar XIX, held in partnership with AfDB and UNU-WIDER,

Recognizing that industrialization should be thought of comprehensively, not in isolation, but in the context of other major regional initiatives, such as regional integration, infrastructure development, advancing technology, regional value chains, financing of industrialization, capacity building, and structural transformation;

Further recognizing the vital role of public-private partnerships in designing and implementing industrial strategies, especially in such areas as infrastructure investment, financing of industrial development, advancing technology and innovation and fostering dialogue and coordination between all relevant stakeholders;

Having also noted past declarations on industrialization in Africa, especially African Union/NEPAD Agenda 2063, AfDB industrialization Strategy (under its 'Industrialize Africa' priority), the Addis Ababa Action Agenda (2015), the

Third Industrial Development Decade for Africa (IDDA III), and the United Nations SDG Agenda, particularly on industry, innovation and infrastructure (SDG9);

Acknowledging the fact that many sub-Saharan African countries are either developing or already have industrial policies and strategies in place,

1. *Affirm* that industrialization is a core element of structural transformation for inclusive and sustainable development in Africa;
2. *Further affirm* the need to increase investment in knowledge generation, capacity building of individuals, firms and institutions, R&D, skills development and skills transfers to address regional imbalances and thus pave the way for broad-based regional industrialization in Africa;
3. *Commend* the critical role of African Economic Research Consortium (AERC) and its partner institutions, especially AfDB and UNU-WIDER, in capacity building for promoting evidence based policies and generating the knowledge basis for decision making on such key economic policy issues as industrialization and industrial development;
4. *Take note* of the important role of financial sector development and deepening in strengthening domestic resource mobilization to support industrial development in Africa;
5. *Recognize* that many well-meaning declarations and strategies have not largely been executed, call for immediate action, and a sense of urgency are paramount in industrializing Africa.
6. *Commit* to reduce infrastructure gaps, strengthen regional value chains, improve trade logistics, and reduce trade barriers to scale up intra-African cooperation and boost regional industrialization and trade; and
7. *Further commit* to empowering women, youth and other agents of inclusive and resilient development through industrialization policies and strategies adopted by African governments.