

How to industrialise Africa in a socially inclusive, environmentally sustainable manner

Unemployment and poverty are serious concerns for the continent, where more than 70% of the working age population is unemployed or has no job security, prompting the UN to declare 2016-2025 as the Third Industrial Development Decade for Africa (IDDA III).



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African leaders, UN officials, and representatives of international finance institutions and of the private sector met this month at the United Nations headquarters to reaffirm their commitment to a broad-based international partnership to industrialise Africa in a socially inclusive and environmentally sustainable manner.

During yesterday's meeting, African leaders and development partners reiterated the importance of industrialisation to eradicate poverty and to ensure that Africa's fast-growing population yields its demographic dividend.

Ethiopia's Prime Minister Hailemariam Desalegn said: "The lack of skills is the major problem in Africa. With an integrated industrial strategy, African states will hopefully mobilise funds, build the capacity of local employment and promote small, medium enterprises with domestic development projects."

Speaking at the meeting, the African Union's Commissioner for Trade and Industry, Albert M. Muchanga, said: "Let me stress that, in line with the theme of this event - from political commitment to action on the ground - and the underlying principle of inclusiveness, it is my expectation that resources mobilised under the Third Industrial Development Decade will be deployed so as to significantly show benefits accruing to the ordinary Africans on the ground through decent employment, and access to high-quality, safe and affordable manufactured goods that are made in Africa, among other direct and tangible benefits."

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The United Nations Industrial Development Organization (UNIDO), which is tasked with leading the implementation of IDDA III, proposed implementing its new innovative approach to bring about the necessary structural transformation.

The approach is based on a country-owned model known as the Programme for Country Partnership (PCP) that leverages financial and non-financial resources, promotes regional integration and mobilises co-operation among Africa's development partners.

UNIDO director general LI Yong said: “It is high time to move the IDDA III agenda steadily forward in order to foster inclusive and sustainable industrial development in Africa. Today's presence of high-level participants from the public and private sectors, development financial institutions, the United Nations system, and bilateral and multilateral institutions confirms that Africa's industrialisation is of global importance.”

A joint communique signed by leaders of UNIDO, the African Union Commission, the African Development Bank (AfDB), the UN Economic Commission for Africa (UNECA), and the Office of the UN Special Advisor on Africa (OSAA) acknowledged that the implementation of the ambitious goals of the Decade will require the mobilisation and deployment of significant amounts of resources and expressed their supported to scale-up of the PCP in the context of IDDA III.

AfDB vice-president, Power, Energy, Climate and Green Growth, Amadou Hott said: “The African Development Bank recently adopted an ambitious ‘Industrialise Africa’ strategy, developed together with UNIDO and UNECA, which aims at more than doubling industrial GDP of the continent within the next decade. We strongly believe that partnering with governments, the private sector, regional organizations and other development partners is key to address the major bottlenecks in the area of industrialisation for a more prosperous Africa.”

The World Bank Group also announced their strong support for the implementation of the decade, amongst other Development Finance Institutions.

Participants also agreed on the importance of strengthening private sector engagement, in view of its fundamental role in driving growth, creating jobs, generating income and wealth, and contributing to fiscal revenue.