

DECISION ON AFRICAN ECONOMIC COMMUNITY

The Assembly of Heads of State and Government:

Considering the Charter of the Organization of African Unity.

Further considering the Treaty Establishing the African Economic Community, in particular, Articles 7,8,9 and 10,

Having examined the Report of the Council of Ministers and the recommendations of the Second Ordinary Session of the Economic and Social Commission (ECOSOC), held in Cairo, Egypt from 23 to 24 April, 1998.

DECIDES:

1. **REGULATION OF THE COUNCIL OF MINISTERS**

The Regulation of the Council of Ministers is hereby approved.

2. **ACRONYM OF THE AFRICAN ECONOMIC COMMUNITY**

“AEC” should be the acronym of the African Economic Community, applicable to all its working languages.

3. **BUDGET OF THE AEC**

- (a) In confirmation of our commitment to establish the African Economic Community, a minimum of 10% (ten per cent) of the regular budget of the OAU should be set aside to finance the activities of the community;
- (b) In the above regard, the General Secretariat should prepare a detailed budget in accordance with ECOSOC work programme, and submit same for consideration by the policy organs of the OAU which have the responsibility for

approving the budget;

(c) The General Secretariat should, in addition:

- (i) Take account of the on-going restructuring of the OAU and streamline the activities of the Community as a way of achieving efficiency in resource utilization;
- (ii) Maintain close cooperation with the ECA, ADB and the RECs in order to pool resources and enhance cost-effectiveness; and
- (iii) Undertake a study, in cooperation with the ECA, ADB and the RECs on self-financing mechanism for the AEC and the RECs.

4. CONSULTATIVE FORUM FOR AFRICAN PARLIAMENTARIANS

The General Secretariat should take requisite measures in cooperation with the Union of African Parliamentarians (UAP) to establish a Consultative Forum of African Parliamentarians, in anticipation of the Pan-African Parliament provided for under Article 14 of the Abuja Treaty and submit a report thereon to the next session of the Assembly.

5. FREE MOVEMENT OF PERSONS

The Secretariat should prepare an appropriate plan that will lead to complete freedom of movement of persons throughout the Community, taking on board various on-going experiences on the Continent. Freedom of movement of persons should, from the onset, be envisaged in two stages, namely: at regional level in the first instance, and then at Continental level. In the interim, and with immediate effect, officials of the RECs and the African Economic Community, holders of the official travel documents of these institutions, should be exempt from visa requirements during travels within Member States.

6. COOPERATION BETWEEN THE COMMUNITY, THE REGIONAL ECONOMIC COMMUNITIES (RECs) AND MEMBER STATES

- (a) **The General Secretariat should:**
- (i) **Take steps to ensure greater coordination between the African Economic Community and the Regional Economic Communities, on the one hand; and among the Regional Economic Communities, on the other, with a view to putting to maximum use the complementarities existing among them through the pooling of the resources of the Joint Secretariat and those of the RECs;**
 - (ii) **Explore the possibility of utilizing the resources of the EDF to finance the regional projects of the RECs; and**
 - (iii) **Get Member States involved in future activities between the Community and the RECs;**
- (b) **Member States should ensure the effective implementation of the programmes of the Regional Economic Communities as a way of facilitating the attainment of the objectives of the African Economic Community;**
- (c) **Member States of the Regional Economic Communities should also speed up the ratification and implementation of the protocols and decisions of these Communities;**
- (d) **The Regional Economic Communities, in cooperation with the General Secretariat of the Community, should harmonize the format for the presentation of their activity report.**

7. FUNCTIONING OF THE SPECIALIZED TECHNICAL COMMITTEES

- (a) **The General Secretariat should take appropriate measures to convene, during the 1998-2000 biennium, the meetings of the following Specialized Technical Committees:**
- * **The Committee on Trade, Customs and Immigration Matters;**
 - * **The Committee on Monetary and Financial Affairs;**
 - * **The Committee on Education, Culture and Human Resources;**

- * The Committee on Rural Economy and Agricultural Matters;
- * The Committee on Transport, Communications and Tourism.

(b) The Joint Secretariat and the RECs should prepare, organize and service the meetings of the Specialized Technical Committees, invite the private sector to participate in them and ensure the follow-up activities.

8. **INDUSTRIAL POLICIES AND STRATEGIES:**

(a) All Member States and RECs are called upon to ensure the harmonization of their industrial development plans with the Alliance for Africa's Industrialization. In this connection, UNIDI and the Joint Secretariat should cooperate with Member States and the RECs to achieve the said harmonization; in this connection:

- (i) The Republic of Cote d'Ivoire assumes the Presidency of the Group of Patrons on Africa's Industrialization;
- (ii) The Patron's Group on the Alliance for Africa's Industrialization will be composed of the Heads of State and Government of the following countries:

West Africa

Cote d'Ivoire

Ghana

Nigeria

Senegal

East Africa

Ethiopia

Sudan

Uganda

Eritrea

Central Africa

Cameroon

Republic of Congo

Gabon

Southern Africa

Zimbabwe

Botswana

Namibia

Lesotho

North Africa

Tunisia

Libya

(iii) Note is taken of the arrangements for the first meetings of the Steering Committee and the Patron's Group as well as of Donors for the programmes of the Alliance.

(b) Member States are also requested to:

(i) Create or strengthen consultative mechanisms between the government and the private sector with the view to formulating industrial development policies and strategies in line with the objectives of their economic and social development plans as well as programmes for regional and sub-regional economic integration and cooperation;

(ii) Also create favourable conditions which will enable the private sector in Africa to play a more important role in the industrialization of African countries by providing the necessary guidelines, advice and assistance;

(iii) Restructure the public sector to enable it, inter-alia, improve its performance, modernize its management and stimulate competitiveness in order to be in position to assist the private sector in its industrialization endeavour;

(iv) Implement industrial development, cooperation and integration policies and strategies in Africa at national, subregional and regional levels;

(c) OAU/African Economic Community, in close cooperation with the regional economic communities, ECA and ADB should assist Member States in

implementing industrial development cooperation and integration policies and strategies in Africa;

- (d) International organizations, such as UNDP, UNIDO, ADB, IBRD, and BADEA are requested to offer material, technical and financial assistance to African States for the attainment of their industrial development, cooperation and integration objectives;**
- (e) The OAU/AEC General Secretariat, in cooperation with ECA, ADB and RECs should continue to keep ECOSOC informed, through regular reports, of developments in the industrialization of the African countries and industrial integration of the continent.**

9. ENERGY POLICIES AND STRATEGIES:

The OAU/AEC General Secretariat should:

- (i) Take every necessary measure to complete the pre-feasibility study on the establishment of the African Energy Commission; and**
- (ii) Enter into consultations with the regional economic communities, ECA, ADB and international energy institutions, so as to ensure that the policies and strategies of cooperation in the area of energy are finalized and implemented.**

10. POLICIES AND STRATEGIES IN TRANSPORT AND TELECOMMUNICATIONS

- (a) The Joint OAU/ECA/ADB and RECs should adopt a common approach to the development partners in order to mobilize the necessary resources for financing infrastructural projects;**
- (b) ADB is urged to increase the level of financing of regional infrastructural projects, including the use of ADF resources to finance the feasibility studies undertaken by the RECs.**

11. INTERNATIONAL NEGOTIATIONS

(a) ACP-EU relations:

- (i) Africa reaffirms its full support for the orientation contained in the Libreville Declaration for the next negotiations on the ACP-EU Convention as defined by the First ACP Summit. While underscoring the need to maintain and strengthen the unity and solidarity of the ACP Group, it requests that the new agreement take into account the regional specificities of each component of the Group, more particularly the imperatives of economic integration as spelt out in the Abuja Treaty.
- (ii) It further requests that the negotiation scheduled for 30 September 1998 focus on all the areas of ACP-EU cooperation, and should not be restricted to the generalities.
- (iii) The joint OAU/ECA/ADB Secretariat is mandated to set up a group of experts / advisors to assist the African negotiators during the ACP-EU negotiations; more particularly in the areas of preferences and the formulation of an alternative proposal aimed at defining a transparent and democratic mechanism for management and allocation of financial resources, which should involve the beneficiaries and take into account the development priorities of African States.

(b) Assessment of TICAD I and preparation for TICAD II.

- (i) The joint OAU/ECA/ADB Secretariat and Member States of the preparatory committee should continue to participate actively in the activities of the preparatory committee of TICAD II, particularly in the elaboration of the agenda for action;
- (ii) The General Secretariat and Member States should actively work to make sure that TICAD II agenda for action is based on the Cairo Agenda for Action and include infrastructural and industrial development among the priority areas for Asia/Africa cooperation in addition to the other areas agreed on so far in the preparatory committee;

- (iii) **TICAD II agenda for action should include concrete actions for resolving of Africa's debt problems which should go beyond debt rescheduling and the HIPC's initiative;**
 - (iv) **The TICAD II agenda for action should include modalities for monitoring the implementation process while guaranteeing the participation of African countries in the monitoring process;**
 - (v) **The Co-organisers of TICAD II should invite all African States to the forthcoming Conference. To this effect, the OAU/AEC General Secretariat should carry out the necessary consultations with the co-organizers of TICAD II, and assist Member States to prepare for the Conference.**
- (c) **Negotiations within WTO.**
- (i) **The OAU/AEC General Secretariat should facilitate the coordination of the negotiation positions of the African groups in Geneva, Brussels, New York and Washington;**
 - (ii) **Governments of Member States should strengthen their Missions in Geneva and countries that do not have a mission should consider opening one;**
 - (iii) **Member States should conduct studies in order to identify their respective national interests so as to better respond to their obligations and opportunities under WTO;**
 - (iv) **Member States are urged, if they have not yet done so, to establish national focal points on WTO matters with the view to stimulating national interests in trade policy matters, to be formulated and implemented. These focal points should be equipped with adequate staff and necessary resources to enable them lend the requisite assistance and ensure coordination at the level of the Missions based in Geneva and Brussels as well as that of the Committee in-charge of trade, customs and immigration matters at continental level;**

- (v) The OAU/AEC General Secretariat is mandated to mobilize resources for assisting the African negotiators in the defence of Africa's interests within WTO. Additionally, it should conduct studies, formulate and coordinate negotiation positions in the areas of common interest for Africa;**
- (vi) The OAU/AEC General Secretariat should also strengthen its technical presence in Geneva so as to back African diplomatic representations and assist Member States not represented;**
- (vii) Member States should take the necessary measures, more particularly through their diplomatic representations in Geneva, to obtain as early as possible, observer status for the OAU/AEC;**
- (viii) Africa's development partners are invited to support the Continent's application for observer status at the WTO. The General Council and Director-General of that Organization are also invited to take the necessary steps in that regard;**
- (ix) WTO should examine the multilateral regulations relating to regional integration in order to facilitate and encourage the participation of developing and least developed countries in such systems;**
- (x) The proposed Multilateral Agreement on Investment (MAI) can only be supported if it takes Africa's concerns into account. In this regard, the OAU/AEC General Secretariat should monitor developments on this issue and report thereon to the competent bodies of the Community;**
- (xi) Representatives of OAU/AEC Member States in Geneva should take all necessary measures to ensure a better representation of Africa in the top structure of the WTO, particularly during the consideration of the terms of office of the Director-General of the WTO and his Deputies in May 1999.**

12. INITIATIVES IN FAVOUR OF AFRICA

- (a) The initiatives, though positive and laudable, should be developed in a way to meet the fundamental needs and priorities of Africa;
- (b) The General Secretariat should coordinate all the initiatives in favour of Africa;
- (c) The proposal for an OAU/EU Summit in the year 2000 was accepted, and in this regard, the offer by the Government of Egypt to host it was welcomed. The proposed Summit should lead to concrete results and actions aimed at Africa's development. In this connection, the following main themes should constitute the agenda items:
 - (i) political matters;
 - (ii) socio-economic matters.

A follow-up mechanism should also be put in place to ensure the effective implementation of the decisions that will be taken at the Summit.

13. AFRICA'S EXTERNAL DEBT

The General Secretariat should convene as early as possible the OAU Contact Group on Africa's External Debt to deliberate among other things on the initiative in favour of the Heavily Indebted Poor Countries (HIPC's). It should also take the necessary steps to convene an international conference on Africa's External Debt.

14. DECADE OF EDUCATION IN AFRICA (1997 - 2006)

- (a) Member States and the General Secretariat should take urgent steps to implement as soon as possible the Decade's Programme of Action;
- (b) The General Secretariat should:
 - (i) In cooperation with ECA, ADB, RECs, UNESCO, ADEA, UNFPA, UNDP, the World Bank and other concerned partners within the UN System as well as all other relevant institutions, make every effort to assist in the preparation of Joint National Programmes of Action as well

as Regional and Continental Programmes towards the implementation of the Decade;

- (ii) Put in place, as early as possible, coordination, follow-up and evaluation mechanisms;**
- (iii) Convene before the end of 1998, a Conference of Ministers of Education to decide on the major guidelines for the implementation of the Decade.**

15. ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

- (a) Member States are called upon to sign and/or ratify all the African and international conventions on environment if they have not yet done so;**
- (b) The General Secretariat should:**
 - (i) Review and actualize the African Convention on Conservation of Nature and Natural Resources in line with the Rio family of Conventions, particularly the Convention on Biological Diversity and the Convention to Combat Desertification;**
 - (ii) Encourage Member States to establish effective and efficient National Commissions on Sustainable Development where it does not exist, and to strengthen those which have already been established;**
 - (iii) Convene, in cooperation with UNEP, ECA, ADB and other relevant institutions working in the area of environment and sustainable development, an All African Conference on Environment before the beginning of the 21st Century, to assess and evaluate the status of implementation of Agenda 21 and the Rio family of Conventions.**
- (c) RECs should take the necessary steps to put in place environmental and development policy coordination and harmonization mechanisms.**

16. PARTICIPATION IN ECOSOC MEETINGS