

Trade and Development Board, fifty-ninth session
Geneva, 17–28 September 2012

Plenary on Item 6:
**Economic development in Africa: Fostering industrial
development in Africa in the new global environment**

General statements by regional groups
**Speaker: Statement by Mauritius on
behalf of the African Group**

Thursday, 20 September 2012

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Statement by the African Group

Item 6 - Economic Development in Africa

on 20 September

of the 59th Session of the Trade and Development Board

(17 to 28 September 2012, Geneva)

**Delivered by Mauritius, Coordinator of the African Group at
UNCTAD**

Mr President,

1. The Africa Group joins the Group of 77 and China in congratulating UNCTAD for its Economic Development in Africa Report 2012 on the theme of *Structural Transformation and Sustainable Development in Africa*.

2. African countries continue to face overwhelming development problems, including in terms of productive capacity, food and energy security; volatility in commodity prices; high unemployment among youth and poverty.

3. Higher economic growth combined with job creation is indeed one of the imperatives to lifting millions of people still suffering from poverty and hunger. The sustainable development of Africa will continue to depend in a large measure to the FDI that African countries receive. The

Secretary General of UNCTAD rightly pointed out in his statement that what appears to be needed for Africa is a good basic strategy for attracting FDI.

4. Africa needs to grow and transform its economies in order to create more and better jobs and increase incomes so as to uplift its populations from poverty. Concurrently we should pay additional attention to environmental degradation and resource depletion and the impacts that these two factors can have on Africa's long term development.

5. At Rio, as we are all aware, a fair amount of skepticism was expressed on what clearly constitutes a green economy and on potential pathways to building such a green economy. The Economic Development in Africa Report 2012 is relevant in explaining what the concept of a green economy should mean for African countries where poverty reduction and inclusive growth must remain paramount priorities. The Africa Group believes that the concept of sustainable structural transformation, as outlined in this year's Report, can provide a useful and relevant operational framework for African countries which need to reconcile economic transformation with sustainable development.

6. Furthermore, the Africa Group notes the proposals and policy recommendations of the Report, especially the necessity for African countries to decouple their growth process from natural resource extraction, develop their industrial bases, bridge their energy deficit and improve on agricultural productivity. To the extent possible, these processes should minimize harm to Africa's environment and ensure that they do not exhaust Africa's pool of natural resources.

7. The report rightly notes that African countries contribution to climate change has been marginal. In this context we support the concept of relative decoupling as proposed by UNCTAD and UNEP, consisting in powering Africa's growth and structural transformation through policies that seek higher efficiency in resource use while reducing adverse environmental impacts. We call on UNCTAD to assist us in implementing the recommendations of the report.

7. We would also like to encourage the developed countries to aim towards absolute decoupling as called for in the Report.

8 As our policy makers have pointed out during international negotiations and more recently at Rio+20, African countries will need significant support from the international community in order to adapt to climate change, a challenge that Africa has inherited mainly from industrial activities in the North. And as the Development in Africa Report 2012 makes clear, African countries will not be able to face the challenge of reconciling structural transformation with sustainable development unless developed countries support Africa's transition to greener, more inclusive and more efficient economies with adequate financial resources, capacity-building, up-scaled technology transfer and open markets unconstrained by trade restrictions.

9. In fact, the report rightly says that environmental problems in Africa should be considered as a development issue. The African states wish to reiterate here the absolute necessity for African economies to have ample policy space when implementing green industrial policy so that African countries can nurture green infant industries that are environmentally friendly and that promote sustainable production patterns.

The African member states also wish to draw the attention of the Board to the fact that the success of African countries at implementing sustainable structural transformation presents potential developmental benefits not just for Africa itself but for its development partners as well. Therefore, the support of Africa's development partners will be for the good of the global community.

10. The African member states wish to seize the opportunity of this meeting today to reiterate their commitment towards sustainable transformation and restate their appeal to the international community to support Africa's transition to greener economies through financial resources, technology and knowledge transfer. We also wish to take this opportunity to call upon UNCTAD to continue its research on the opportunities and challenges of building green economies in Africa, including green industrial development and sustainable structural transformation in general.

Thank you