



Nations Unies
Commission économique pour l'Afrique

CONCEPT NOTE

AD HOC EXPERTS GROUP MEETING ON THE THEME:

*“Harnessing agro-industry potential to support
structural transformation in Central Africa”*

Douala, Cameroon, 28-29 September 2017

September 2017

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1. INTRODUCTION

In the last decade, growth rates in Central¹ Africa have been among the highest on the African continent with an average real GDP growth rate of 7.9 per cent per year between 2003 and 2012. The factors underpinning such good economic performances include: i) sound macro-economic policies that translated in a reduction of fiscal deficits and controlled inflation; ii) the surge in commodity prices after 2002, coupled with increased oil production, and; iii) substantially higher foreign capital inflows, particularly foreign direct investments.

However, since about four years, growth has slowed. The economies of the sub-region have borne the brunt of the fall in the prices of main commodities, including oil. Unfavourable price projections for hydrocarbons on which the majority of Central African economies depend for fiscal revenue and exports speaks to the authorities of the sub-region about the risks to which such dependence exposes all their economies and to the need to speed up economic diversification to cope with multiple economic and social challenges. The extra-ordinary summit of Heads of State of the Economic and Monetary Community of Central Africa (CEMAC) that held in Yaoundé on 23 December 2016 effectively sought to push for structural reform of Central African economies to render them more resilient to external shocks.

The drop in crude oil prices revealed that the countries of the sub-region are not sufficiently armed to offset the volatility of hydrocarbons prices, notably through diversification of their economies. The strong growth of the last decade materialized neither in the creation of a substantial number of jobs nor in a significant improvement in the lives of the populations. The non-inclusive growth is still essentially driven by export commodities such as oil, minerals and agricultural products with very little or no transformation thereof. Now, the Economic Commission for Africa (ECA) considers that added value and structural transformation are crucial to driving broad-based and sustained economic growth in Africa, improving social conditions through creating jobs, reducing inequalities and poverty and minimizing their vulnerability to external shocks.

Central African countries are heavily endowed in natural resources that constitute a solid foundation for structural transformation of their economies. Apart from its immense oil and mineral resources, the sub-region is home to the second largest forest reserve in the world. It also has a hydro-power potential that accounts for 17 per cent of global potential as well as a vast hydrographical network of 12,000 km of navigable waterways. Lastly, the countries of the sub-region have more than 120 million hectares of land useful for agriculture and the agro-industry.

¹ We are referring here to countries of the Economic Community of Central African States (ECCAS).

As an essential link of the agri-food value chains, the agro-industry offers huge possibilities of industrialization based on commodities. It provides the inputs for the agricultural sector and connects the latter to consumers through processing, transformation, transport, marketing and distribution of foodstuffs and other agricultural products. Accordingly, there are huge synergies between agro-industry and agricultural performance as a development driver. An agro-industry development strategy embodying greater added value and increased productivity growth within the entire value chain system is one of the best ways of achieving sustainable economic growth, wealth creation and poverty reduction in Central Africa.

It is against this backdrop that the Sub-Regional Office for Central Africa (ECA/SRO-CA) intends, as part of its work programme for 2017, to organize in Douala-Cameroon, an Ad Hoc Experts Group meeting from 28 to 29 September on the theme: *“Harnessing agro-industry potential to support structural transformation in Central Africa”*. As an advocacy thrust for the development of the agro-industry in Central Africa, this meeting is a follow-up to the thirty-second session of the Intergovernmental Committee of Experts (ICE) that held in Douala in February 2016 under the theme: *“Leveraging the agricultural potential of Central Africa for food security and structural transformation of the sub-region”*. The 2016 ICE afforded the opportunity to discuss strategies that could enable the countries of the sub-region to leverage their immense agricultural resources not only to speed up growth, but also to achieve the second Sustainable Development Goal (SDG2), namely: *“end hunger, achieve food security and improved nutrition and promote sustainable agriculture”*.

The ECA/SRO-CA has conducted a study to further reflection on development of the agro-industry in Central Africa. The study describes the current situation of the agro-industry in the sub-region. It analyses those factors that argue the case for diversified and socially inclusive growth via the development of the agro-industry as well as factors that encourage development of the agro-industry value chain. The study identifies the actions to be carried out, with emphasis on the way forward, policies, strategies and the institutions needed to develop the agro-industry in Central Africa.

2. OBJECTIVES OF MEETING

The meeting aims to:

- Consider and validate the study on *“harnessing agro-industry potential to support structural transformation in Central Africa”*.
- Provide guidance and/or formulate recommendations to enable Central African countries to fully leverage agro-industry potential and opportunities.

- Discuss and share ideas on the issues and challenges of the agro-industry.

3. ORGANIZATION AND FORMAT OF MEETING

The meeting will last two days. Deliberations shall be conducted in the form of plenary discussions on the study prepared by the ECA/SRO-CA. The study has three parts: (i) State of play of the agro-industry in Central Africa; (ii) Public policies on agro-industry development in Central Africa; (iii) Agro-industry development in Central Africa: Challenges and priority intervention areas.

4. EXPECTED OUTCOMES

The meeting is expected to yield the following outcomes:

- Validation of the ECA/SRO-CA study on “Harnessing agro-industry potential to support structural transformation in Central Africa”.
- Guidelines and formulation of recommendations to enable Central African countries fully leverage agro-industry potential and opportunities.
- Discussions and constructive sharing on the issues and challenges of the agro-industry.

5. PARTICIPATION

Participants in the Ad Hoc Experts Group meeting will comprise representatives of ministries in charge of Planning and Socio-Economic Development, Agriculture and Trade. Participants will also include experts from the Secretariat General of ECCAS, the CEMAC Commission, specialized ECCAS and CEMAC institutions as well as representatives of financial and technical partners, UNIDO, FAO, UNDP and the AfDB. The private sector, civil society, universities and research centres in the sub-region shall also be represented. Given women’s key role in the agricultural sector, ministries in charge of women empowerment and gender issues as well as women’s associations will be participating.

6. DATE AND VENUE OF MEETING

The meeting will hold in Douala from **28 to 29 September 2017 at Sawa Hotel.**

7. WORKING LANGUAGES

The meeting shall be conducted in English and French.

8. CONTACTS

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