Distr.: GENERAL

ECA-NA/ICE/XXVIII/7

February/March 2013

ENGLISH

Original: FRENCH



**UNITED NATIONS**

**ECONOMIC COMMISSION FOR AFRICA**

**ECA Office for North Africa**

Twenty Eighth Meeting of the Intergovernmental

Committee of Experts (ICE)

Rabat, Kingdom of Morocco

February 26th-March 1st, 2013

**DRAFT REPORT OF THE XXVIIIth MEETING OF THE INTERGOVERNMENTAL COMMITTEE OF EXPERTS**

# ATTENDANCE AND ORGANISATION OF WORK

* 1. The twenty-eighth meeting of the Intergovernmental Committee of Experts (ICE) of the United Nations Economic Commission for Africa Office for North Africa (ECA-NA) was held in Rabat, Kingdom of Morocco on 26th February- 1stMarch. The Chairperson of the outgoing Bureau presided over the opening ceremony which was graced with the presence of his Excellency Mr. Nizar Baraka, Minister of Economy and Finance of the kingdom of Morocco, and Mr Habib Ben Yahia, Secretary General of the Arab Maghreb Union.
  2. Representatives of the seven member States (Algeria, Egypt, Libya, Mauritania, Morocco, Sudan and Tunisia) took part in the meeting.
  3. Represented at the meeting were the following institutions:
     + - United Nations System:
* United Nations Economic and Social Commission for Western Asia (ESCWA).
* FAO/ Regional Bureau, Egypt.
* United Nations Development Programme (UNDP), Regional Bureau, Egypt.
* United Nations Development Programme (UNDP), Morocco.
* United Nations Development Programme (UNDP), Mauritania.
* United Nations Industrial Development Organization (UNIDO), Austria.
* United Nations Industrial Development Organization (UNIDO), Morocco
* UN Women.
* UNICEF, Morocco.
* Regional Economic Communities :
* Arab Maghreb Union (UMA)
* International and regional organizations :
* Arab Forum for Environment and Development (AFED)
* African Development Bank (ADB)
* Islamic Development Bank (IDB)
* CIDC
* African Training and Research Centre in Administration for Development
* International Fund for African Development (IFAD)
* ISESCO
* Arab Organization for the Development of Agriculture (AODA)
* Arab Industrial Development and Mining Organization (AIDMO)
* Office of Strategic Services (OSS)
* Cooperation agencies :
* Spanish AgencyforInternational CooperationDevelopment *(*AECID*)*
* Belgian Cooperation Agency-Walloon Region and Brussels Capital city
* United States Agency for International Development (USAID)
* Diplomatic missions :
* Embassy of Algeria
* Embassy of Brazil
* Embassy of Cote d’Ivoire
* Embassy of Egypt
* Embassy of Central African Republic
* Embassy of Denmark
* Embassy of Mauritania
* Embassy of Sudan
* Embassy of Tunisia
* Representatives of from the public sector, the private sector and the academia  :
* Terjaoui International Scientific Institute for Good Governance and. Strategic Planning of Sustainable Human Development (ISTIGOP);
* Mohammed V University, Agdal;
* Mohammed V University, Souissi;
* National Institute for Statistics and Applied Economics;
* Royal Institute for Strategic Studies;
* Institute of African Studies, Morocco;
* School of Governance and Economics;
* CIDOB Foundation, Spain;
* Hassan II Academy of Science and Technology;
* Principia Wealth Advisory, Morocco;
* BMCE BANK;
* National Agency for Developing Renewable Energy and Energetic Efficacy (ADEREE) ;
* Social and Economic Council, Morocco;
* National School for Commerce and Management (ENCG, Tanger), Morocco;
* Civil organizations :
* ADFM
* AFED, Lebanon
* Association of the Green Economy
* Libyan Democratic Party
* Youth representatives from seven North African member states
  1. The list of participants is annexed to this report.

# OPENING OF THE MEETING

# *(agenda item 1)*

* 1. At the opening ceremony, Mrs. £££££, as outgoing Chairperson, thanked the other member States for trusting her country, Tunisia, to oversee the work of the ICE. She also thanked and congratulated the Chairperson and all the staff of UNECA North Africa Office for the judicious selection of this year’s themes
  2. The Chairperson of the ECA’s North Africa Office, Mrs. Karima Bounemra Ben Soltane, welcomed all the participants and indicated that the analysis of the economic and social conditions showed that the North African region has experienced a partial absorption of the political impact of 2011, with a significant growth rebound after the recession it has known the year before . The two sectors that were most affected by the political events experienced over the past two years are which are hydrocarbons and tourism have experienced a strong growth, without reaching the 2010 levels, however.
  3. She indicated that regardless of this good news, the region is still facing several challenges. One most worrying challenge is unemployment; particularly that of young people, which remains structurally high and which represents a central concern for all countries. A sustainable solution to this challenge and to reducing inequalities according to the Director will require higher growth, diversification of the regional supply of goods and services, and a more sophisticated productive system which is still highly dependent on exploiting and exporting natural resources.
  4. To this end, she added, the agenda of ICE e 28th session took as a central theme “Promoting diversification and sophistication for structural transformation of North Africa Economics”. She then presented the meeting’s main themes before inviting experts to an in-depth discussions meant to highlight the sub-regional specificities anticipated in ECA’s Conference of African Ministers of Finance and Economic Development and Planning, due to take place in Abidjan, Ivory Coast on 21st-26th Marsh 2013, and to which the outcomes of these discussions will be presented. The chairperson also indicated that this conference will be an opportunity for the Commission to present its new orientations which places statistics and planning renewal at the centre of ECA’s work and needs a strong mobilization and involvement of by Member States in order to make it effective, said the chairperson, before inviting the Committee to lend its support to ECA in this regard.
  5. Speaker in his turn, Mr Barak, Minister of Economy and Finance of the Kingdom of Morocco, thanked the ECA for holding the 28th ECA meeting and welcomed the participants. He thanked Mr Ben Yahia, the Secretary General of the Arab Maghreb Union for his presence , that reflects , according to the Minister, the significance of the regional integration included in the theme of the meeting, and welcomed the recent visit of Mr Carlos Lopes, Executive Secretary of ECA in Morocco.
  6. Mr Baraka highlighted the importance of the theme of the meeting, “ Diversification and sophistication of the economies of North Africawithin the context of the current international crisis”. The process of diversification should help, he says, reach a better economic positioning for the sub-region in the international added-value chain .
  7. Mr Baraka finished his speech by sharing with the participants the Moroccan experience in the area of diversification and sophistication of productive sectors, and underlined the importance of regional integration to ensure domestic and sub-regional political coherence in the issue.
  8. , As to Mr Habib Ben Yahia, Secretary General of the Arab Maghreb Union (UMA), he thanked the chairperson of ECA’s Office for North Africa and reminded the participants that the coming strengthening of of the UMA will boost regional integration and economic cooperation among the its member countries.
  9. Mr Ben Yahia supported the Minister’s declarations and focused on the structural weakness of the sub-region economies based mainly on weak value-added sectors . Then, he enumerated major agreements and projects related to the theme of the meeting, namely the Free Trade Zone Convention.
  10. Mr Ben Yahia wished great success to the meeting and reiterated his support as UMA Secretary General for the implementation of the recommendations to be adopted.

# ELECTION OF THE BUREAU

(Item 2 of the agenda)

* 1. Following consultation between the heads of delegations, the Committee elected the following Bureau:

Chairman: Algeria

Vice Chairman: Egypt

Rapporteur: Libya

# ADOPTION OF THE AGENDA AND WORK PROGRAMME

(Item 3 of the agenda)

* 1. At the beginning of the meeting, the new Chairperson of the Bureau thanked the Committee for the trust they placed in him and welcomed all participants, while congratulating the outgoing Bureau and ECA’s North Africa Office for the considerable efforts made during the past period.
  2. In addition, he pledged, on behalf of hers colleagues, to make appropriate arrangements for the implementation, under good conditions, of the recommendations of the meeting.
  3. Following this address, the Provisional Agenda (ECA-NA/ICE/XXVIII/1) and the provisional work program (ECA-NA/ICE/XXVIII/1/Add.2) were adopted.

# REPORT ON ECONOMIC AND SOCIAL CONDITIONS IN NORTH AFRICA, 2011-2012(Item 4 of the agenda)

* 1. The Secretariat presented the main findings of the document entitled "The economic and social conditions in North Africa in 2012" (CEA-AN/CIE/XXVIII/2). The related report covers recent developments in social and macroeconomic aggregates, and the2013 prospects for the sub-region and its countries. It analyzes the main economic policy measures taken d in 2012, and highlights the articulation of short-term policies to carry on the recovery efforts undertaken in the wake of the global financial and economic crisis with the necessary reforms needed for the structural transformation of North African economies.
  2. The Secretariat seized the opportunity to thank the Member States for replying to the questionnaire that had been sent by the Bureau for preparing the report.
  3. The presentation made on the Report indicated it has been structured around the following points:
     + The regional  and international environment;
     + The economic performances in North Africa; ;
     + The main economic policy measures and the effects of recent crises and political changes;
     + Social development and employment ;
  4. Globally, the year 2012 was marked by a slowdown in growth, the debt crisis and widespread austerity in the major developed economies, the persistence of high unemployment combined with sluggish demand and the return of inflation in emerging economies. Oil  prices have remained at high levels, thus increasing the pressure on the trade balances of oil-importing countries and net importers of food. In Africa, the same downturn trend was observed, with some exceptions, however, such as Central Africa and North Africa that had a better performance in 2011. The performances of these two sub-regions, together with the good performance of West Africa and East Africa, have enabled the Continent to limit the negative impact of the crisis experienced by Europe, its biggest trading partner.
  5. In North Africa, growth has increased significantly as a result of a massive rebound of the Libyan economy and good capacity for resilience of Egypt and which in spite of disturbances related to political transitions, have continued to achieve significant efforts. In the wake of this growth, gross fixed capital formation and especially foreign direct investment also experienced a significant increase, even if they fell below their 2010 level. In addition, much investment has been directed towards agriculture, oil, mining activities and services. So the challenge of greater economic diversification, through a greater contribution of manufacturing industry with high added value, is always marked by great acuity.
  6. Similarly, trade indicators have performed well because of the return of the Libyan exports to almost its levels from before the war. The year 2013 shall be marked by the pursuit of growth in Libya and across the sub-region, with an expected growth of all the components of production and global demand, even though uncertainty remains concerning a quick end to the political transitions in some particular countries. These concerns could also be added to the observed delay in the implementation of the UMA Free Trade Zone. Even though there is a trade potential in the region, it remains far from being exploited for the well-being and the growth of the region.
  7. The delayed effects of the economic crisis and the financial crisis of 2008-2009 on the North African economies have continued to influence key socio-economic indicators, and sociopolitical unrest occurred in 2011, added to these effects, have forced governments to take strong measures of great budgetary impacts, and whose sustainability in the long or even medium term raises questions.
  8. At the social level, a direct consequence of the shortfall of growth is the deteriorating employment situation, with unemployment rates rising again, while the overall level is already among the highest in the world. This observation, in the particular context that North Africa is experiencing, reiterates the need for stronger growth and more job creation, including releasing the creative potential of young people and encouraging diversification and a structural transformation of the economy.
  9. Based on the analysis of 2012 outlook, the Secretary recommends:

# Taking all necessary provisions to ensure an end to the ongoing political transition soon, return to stability of institutions and ensure a climate of trust to investors, especially those in tourism industry;

# Adopting and implementing an integral program to promote intra-regional trade including the operationalization of a free trade zone quickly, trade facilitation, free circulation of people and the development of a business environment; the tools and the procedures of the free trade zone, however, should be determined so as to transcend the objectives’ limits of the existing bilateral and regional agreements;

# A large trade opening- within the framework of a community approach- towards other African sub-regions, bearing in mind the dynamic growth of the continent observed for a decade and the steadily growing of complementarity’s indices with the rest of Africa; the launch of a Free Trade Zone intra-North Africa should be accompanied by initiatives to negotiate trade agreements with the REC/RESC of West Africa and Central Africa echoing the tripartite initiative of COMESA/EAC/SADC;

# Reinforcement of development strategies for renewable energies and agricultural policies to reduce dependence on imported energies and food.

# Creating an ambitious process of economic transformation through accelerating its agenda of diversification and sophistication of the North African economies by using all the means including the strengthening of regional integration,

# In addition, public finances sustainability requires reform of a subsidy system in spite of the difficulties related to this kind of reform, as illustrated by the issues of subsidizing energy products. Even though the need to reform this kind of subvention is generally accepted, the choice of implementation methods faces major challenges especially in countries with social tension and political instability should be a subject of a detailed analysis as well as sharing experiences among the countries. This reform will include efficient mechanisms and a better targeting of beneficiaries, bearing in mind that both involve strengthening the statistical system in order to produce precise information with better quality.

# The similarities of the major developmental challenges of the sub-region countries, especially the rate of unemployment, education, immigration, security of food and energy, economic diversification and sophistication, security, struggle against the effect of climate change, argument about reinforcing regional integration, which remains an important means of formulating efficient and collective responses to these challenges. This will allow North Africa to play a leading role in the process of transforming the continent economically.

* 1. The Committee thanked and congratulated the Secretariat for the valuable quality of the presentations, and made some remarks on the pertinence and reliability of the statistical data as well as the necessity for countries to work together in order to upgrade the available statistical data.
  2. The Committee noted that growth for the year 2013 at the sub-regional and country level is highly dependent on the speed with which countries still in the middle of political tension will establish their democratic institutions.
  3. The Committee noted that the on-going reforms of the subsidy systems in particular countries may significantly influence the forecasts regarding inflation while raising the question of formulating short-term measures aiming to ensure people’s well being, and medium and long –terms measures aiming to lay sustainable foundations for economic development.
  4. The Committee noted that it is crucial for the States to review their development paradigm in order to exploit their enormous resources offered by the green economy. The committee also noted the need to put down clear strategic orientations in the various sectoral policies and to ensure their integration into development policies. In relation to this last point, the Committee welcomed the ECA’s proposal to put more emphasis on the renewal of planning in its new orientations.
  5. Regarding the lack of regional integration highlighted by the report, the Committee underlined the challenges of advancing the integration process during crisis where states are more intent on protecting their immediate interests. Delegates acknowledge, however, that it is possible to achieve the trade potential offered by t the region through promoting trade facilitation measures and launching UMA’s Free Trade Zone. The promotion of regional value chain shows itself as best solution since it is more difficult to integrate in the international value chain.
  6. The Committee also noted that many sectors offer f great opportunities for regional cooperation and are subject to regular technical work (example: harmonization of regulations) but still lack practical implementation. Effort should be done in order to: (i) define a regional strategy to promote the economic integration of the region in the global value chains and, (ii) take into account the diversity of these countries’ economic circumstances.
  7. After discussion, the Committee agreed on the recommendations proposed by the Secretary and made the additional recommendations annexed o the report.

# «PROMOTING DIVERSIFICATION AND SOPHISTICATION FOR STRUCTURAL TRANSFORMATION OF ECONOMIES IN NORTH AFRICA » *(agenda item 5)*

* 1. The special session chaired by Mrs. Karima Bounemra Ben Soltane, was honoured by the presence of H.E Mr. Mohamed Najib BOULIF, Minister Delegate to the Head of Government, in charge of General Affairs and Governance (Kingdom of Morocco). The session’s Chairperson noted that the choice of the theme follows the recommendations of the 27th session of the ICE which asked to undertake a study on the issue of diversification in the sub-region.
  2. This session, an introductory meeting of the expert group on diversification and sophistication, whose recommendations were reviewed and approved by the Committee in agenda item 11, discussed the following main themes:
* Status of diversification and sophistication of North African economies
* Determinants of a structural transformation policy of North African economies.
* How to promote growth and diversification through trade
* Accumulation of capabilities, structural transformation and « prudential » macro prices
* The role of the green economy and of regional integration in the dynamics of diversification and sophistication of economies
  1. The session also was an opportunity for the Committee to share the experiences of some African countries as well as Asian and Latin American experiences in terms of sophistication and diversification of exports.
  2. Relating to experiences in Africa, both Ethiopian and Botswanian ones highlight the role of the state in the process of diversification and sophistication. In fact, Ethiopia succeeded in its integration in the global value chains, specifically with treated leather, and Botswana in the global chain through transformation of diamonds,
  3. The Asian and Latin American experiences highlighted especially the role of the state in the structural change through policies encouraging extensive diversification, accompanied, however, by a systematic withdrawal in case of underperformance as well. These policies have led to a steady increase in real GDP, reduction of poverty and improvement of various indicators of human development.

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# PROGRESS REPORT ON THE MDG RGIONAL AGENDAS AND PERSPECTIVES OF THE POST 2015 AGENDA *(Item 6 of the agenda)*

* 1. The session on progress achieved to meet the MDGs and post 2015 prospects has been structured around three supplementary presentations. The Secretariat introduced a report reviewing the progress of the MDGs achievements and the process set out at global and regional levels regarding the definition of priorities for the post-2015 development agenda. The national component of this process, which focuses mainly on the organization of inclusive and participatory national consultations, was presented by UNDP Egypt Office, Algeria, Morocco, Sudan and ,Egypt are among the countries that have been selected for the purpose of these extensive national consultations. Finally, the component ‘’ involvement of civil society ‘', was presented by the collective "Espace Associatif" within the framework of the national process in Morocco.
  2. In terms of balance sheet, Taking stock of the situation , the Secretariat informed the Committee that all the countries of North Africa have produced a National Report on the MDGs between 2008 (Libya), 2009 (Morocco and Tunisia) and 2010 (Algeria, Egypt, Mauritania and Sudan). What emerges from these reports is that some countries (Algeria, Egypt, Libya, Morocco and Tunisia) are likely to achieve most of the MDGs by 2015; while for others (Mauritania and Sudan), despite progress, a good proportion will not be achieved. However, the reports emphasize the importance of efforts by all countries and their commitment to deploy further efforts to ensure full achievement of the MDGs.
  3. There is doubt about achieving MDG 1 by 2015. Indeed, it is most unlikely that target 1.b regarding full employment will be achieved by any country in the sub-region. The risk of not achieving this target is even reinforced by the current economic crisis and the effects of political transitions underway.
  4. Reducing the various forms of inequality such as those related to income, geography and gender are also major challenges in achieving the MDGs in the sub-region. The constant degradation of the environment and the non-rational management of natural resources was also considered as another factor that undermines the achievement of the MDGs.
  5. With respect to the process of setting post-2015 development agenda, the Secretariat notified the Committee that, in partnership with the African Union Commission, the African Development Bank and the United Nations Development Program for Development, ECA is involved in organizing a series of regional consultations to develop an African Common Position Thus, three extensive sub-regional consultations were conducted with all the stakeholders in the region. The first was held in Accra (Ghana) in 2011 and two in 2012 in Mombasa (Kenya) and Dakar (Senegal). Meanwhile, an online discussion launched in 2011 will secure broader discussions of all stakeholders, including governments, civil society, parliamentarians, academia and the private sector, etc. to gather their views and opinions.
  6. In order to finalize the process, the African Regional Conference will be held in March 2013 in Tunis (Tunisia) to reach a common position on the priorities of development for the continent for post 2015. Countries of North Africa should take actively part in the preparation of this conference to ensure that the sub-region’s development challenges and priorities are properly taken into account.
  7. Delegates commended the quality of the presentations made on the MDG’s achievement in the region and made comments on the national results while providing feedback on the sectorial policy measures that have been taken. Delegates underlined the need to share experiences between countries and to learn from successful experiences in the region.
  8. The committee pondered upon the post 2015 vision and underlined the problematic nature of the current perspectives, especially for the most vulnerable groups such as women and youth. Delegates also stressed the need to combat the feminization of poverty
  9. Delegates also expressed the need to harmonize data and the methodologies used to calculate the follow up indicators of the MDG’s implementations. It was suggested in this regard to engage in a reflection on the scoop of the integrators and to make a more realistic typology for them. The fact that there are national specificities dictates the need to integrate various parameters in order to avoid measurement bias.
  10. The problem of monitoring achievements within the framework of periodic assessment of public policies was also discussed, and participants underlined the importance of reviewing priorities, and insisted on the need to promote peace as a catalyst for development.
  11. The committee has underlined the importance of sustaining efforts that are deployed in the area of funding for development despite the economic crisis. The importance of perpetuating the objectives should also be privileged while reflecting on post 2015 strategy, including at the regional level.
  12. The delegations also mentioned the importance of setting up a global partnership on development while maintaining a multilateral trading system that is open, nondiscriminatory and favorable to development.

# REPORT ON THE REGIONAL AND INTERNATIONAL AGENDAS AND SPECIAL INITIATIVES IN NORTH AFRICA (ECA-NA)*(Item 7 on the agenda)*

* 1. The Secretariat recalled the purpose of the Report on the implementation of regional and international development agendas and special initiatives in North Africa. This aims to accompany States in monitoring progress with regard to the global and regional commitments, and make sure that the sub region’s priorities are well taken into account in the negotiation processes at international and regional levels. He then presented the contents of the report highlighting the main events of the year 2012, such as the United Nations Conference on Sustainable Development (Rio +20), the Doha Conference on climate, the eighth Forum for African Development (ADFVIII), the seventh annual meeting of the Forum on Internet Governance, the Forum on Monitoring the World Summit on the Information Society (WSIS) and ICT4All Forum. Within this framework, the key findings and commitments from these conferences and forums as well as the activities of the ECA were presented.
  2. The Rio+20 Conference which assessed progress made in the implementation of the principles and commitments regarding Sustainable Development recommended that further efforts should be achieved for a more balanced integration of the three pillars of sustainable development: economy, society and environment. The conference also pointed out the priority of fighting against poverty and promoting social inclusion. It also recognized that fighting against climate change as well as the transition towards green economy offer opportunities to promote a model of sustainable and more inclusive development.
  3. The Doha Conference on Climate Change took place in a global context marked by an upward trend in CO2 emissions as outlined in various scientific reports, as well as in reports made by UNEP. The World Bank and IEA. The conference reached: (i) an agreement for a second commitment period of 8 years of the Kyoto Protocol (2013-2020), based on voluntary commitments in terms of emissions, and (ii) the launching of the negotiation process to discuss a new global treaty on climate change that should be signed in 2015 and enter into effect in 2020. In this context, the challenges ahead will focus on: improving knowledge on climate change and its impacts, as well as strengthening the interaction between science and policy-makers involved in the negotiation process.
  4. The eighth session of the Forum for African Development held in 2012 offered an opportunity to initiate a dialogue on the issue of Management and mobilization of natural resources for development in Africa and emphasized the strategic role of natural resources in the socio-economic transformation of the continent.
  5. Within the framework of accelerating the implementation of the recommendations and decisions of the "Tunis Agenda" adopted at the World Summit on Information Society (WSIS) in November 2005, and the preparation for the WSIS+10, several events were organized at regional and international levels. A Forum on Internet Governance North Africa was created.
  6. The Secretariat notified the meeting that ECA and its partners are already preparing the coming rendezvous for the year 2013 and beyond. These are the ICPD +20 for which ECA is working in close collaboration with UNFPA and ESCWA to support African countries in the review process (ICPD +20), and the identification of post 2014priorities. ECA will also support the regional preparatory process on the assessment of the implementation of the Beijing Platform for Action (Beijing +20). This review process is crucial for the sub-region in the context of the current socio-political changes.
  7. The Secretariat urged countries to carry on discussions at national and regional levels to enhance the understanding of the challenges and issues related of these different development agendas, share knowledge and build capacity to implement sustainable solutions. It also called upon the countries to promote or strengthen the sub-regional cooperation frameworks in order to build consensus and make their voices heard on all of these development related themes.
  8. The Committee took note of the report.

# PROGRESS REPORT OF THE BUREAU AND THE PROGRAM OF ACTIVITIES 2013

*(agenda item 8)*

* 1. The Secretariat presented the report on the activities of North Africa office from March 2012 until February 2013. It reviewed the work done by the office including publications and studies, experts meetings, advisory services, workshops and seminars.
  2. Activities have been implemented under sub-program 7 of the ECA: “Support to sub-regional activities for development”, and under the strategic framework which focuses on greater technical support to member States and to the Regional Economic Communities (RECs) in order to strengthen their capacities for regional integration, especially in the priority areas for the North African region. The office continued to support the UMA through the formulation and the implementation of the joint multi-year program, as well as other programs adopted at the international level, including the MDGs. Particular emphasis was also put on the launch of networks for knowledge sharing and exchange of good practices.
  3. The implementation strategy includes activities on capacity building through technical assistance, training workshops and studies on policies that are implemented to address development challenges that are specific to North Africa, with a particular emphasis on advocacy for regional integration.
  4. The main areas the office has focused on during the period under review include: social protection, financial integration, the financing of renewable energy and the review of environmental performances. The office has also answered to many requests for advisory services made by its member States and facilitated their participation and that of the UMA in the preparatory process of many international events.
  5. The Secretariat thanked the member States for their collaboration on data collection questionnaires, and underlined the importance of the data they provided, which contribute to improving the quality of the report on economic and social conditions. The Secretariat encouraged member States to pursue their effort in order to provide to the office with pertinent information, particularly at the sectorial level, in order to implement the remaining activities of scheduled in the 2012-2013 program. These activities focus on the issue of rural women, the follow up on the Rio+20 process in addition to requests of Member States and UMA for assistance in one of the areas of interest for them.
  6. The Committee took note of the report and the work objectives for 2013 and congratulated the Secretariat on the quality and the relevance of its activities and the efforts made to meet the needs of member States. The committee encouraged the secretariat to continue its efforts for the implementation of its 2013 activities.
  7. Member States made presentations on the policies, strategies and programs implemented within the framework of the follow up on the previous ICE presentation. All these interventions cover areas such as, social protection and the reduction of inequalities, support to vulnerable groups, improving business environment, food security, renewable energy development, budget and taxation policies, the fight against inflation through monetary policies and economic policies that target potential sectors for diversification in the future.
  8. The Committee noted with satisfaction that Member States have responded positively to the recommendations of the 27th CIE by the implementing concrete activities.
  9. After discussion, the Committee praised the achievements of the ECA’s Sub-Regional office of North Africa in 2012 and approved the draft program of work 2014-2015.

# The office’s2014-2015 draft work program for (ECA-NA) *(Agenda item 9)*

* 1. The Secretariat recalled the new economic and social context of African States in general and North Africa in particular. This context is that of a changing world and a changing Africa and whose positive indications of transformation carried the hope that the challenges the continent faces can be met. Faced with these challenges, ECA must be retooled and its programs recalibrated so as to play a distinctive role in Africa’s transformation agenda. It is therefore necessary for the ECA to (i) play a frontline role by generating reliable data and knowledge; (ii) base its research and advocacy on clear facts and objectives; (iii) promote consensus on substantive issues and provide meaningful services on capacity building and consultancy in key thematic areas. These themes include also strengthening the capacity of states to produce reliable and updated statistics, promoting green economy, developing regional value chains, transport and trade facilitation, sustainable development and effective management of natural resources, energy integration and the development of a gender strategy for the Arab Maghreb Union.
  2. The Committee took note of the work program submitted for its consideration. It noted with interest the decision of the ECA to invest more in the collection and generation of quality data on the Continent as a tool for analysis and decision making of themes that are of interest to the states.

# XI. ACTIVITIES OF THE ECA / OPM *(Agenda item 10)*

* 1. The Secretariat introduced the main achievements of the ECA as a whole, for the year 2012 and the proposed restructuring of the ECA to address the new challenges the Continent is facing.
  2. Under achievements of the past year, the Secretariat mentioned, inter alia, the organization of the Conference of Ministers that helped revive the debate on unlocking the potential of Africa as a center of global growth, the contribution to Africa's participation in international negotiations on climate change and the contribution to improving governance and transparency in the sectors related to the natural resources of the continent, the launch of the development process as the First Innovation Index, and holding the first African Forum for Internet governance. Over the same period, the CEA has continued its work in its traditional areas of interest such as regional integration, gender and social development issues, including the promotion of youth employment. Alongside these initiatives, the Secretariat informed the Meeting that the ECA has developed a new platform for managing and sharing knowledge, as a tool for establishing relations between ECA and the different actors of the Africa’s economic and social development. The content of the platform was presented and the member States were invited to join in, and to use it as a working tool of communication and networking.
  3. The Secretariat then presented the new organizational structure of the CEA as it emerges from the reflection undertaken by the Executive Secretary on the theme "Africa comes first". The reflection of this new orientation in priority intervention areas, reveals that an accelerated structural transformation of the continent must meet the following priorities: (i) a greater attention to be paid to the continent's economic assets, such as abundant natural resources and the demographic advantage, (ii) a significant and coordinated expansion of infrastructure investments, (iii) the rapid and large-scale creation of productive employment, (iv) the promotion of local entrepreneurship within a strategy aiming at creating jobs and generating wealth, (v) a minimum level of food security and nutrition (vi) an important social policy renewal.
  4. The Committee took due note of this information and welcomed the initiatives taken by the ECA to better cope with the challenges of the continent.

# STATUS OF THE IMPLEMENTATION OF MULTI-YEAR ASSISTANCE PROGRAMME TO REGIONAL ECONOMIC COMMUNITIES AND STATUS OF REGIONAL INTEGRATION *(Agenda item 11)*

**Status of implementation of the implementation of the multi-year cooperation program with UMA**

* 1. The Secretariat presented the activities carried out by the Bureau in the framework of its cooperation with the Maghreb Arab Union in the year 2012. This cooperation is formalized by the Multi Year Program (MYP) of 2010-2012 which was signed between the office and the UMA in 2010and which is coming to its end.
  2. Three types of activities are implemented within the MYP of 2010-2012: institutional support and reinforcement of capacities of the general Secretariat of the UMA; economic development, trade exchange facilitation and the private sector promotion; the MDGs and the social development. Furthermore, there are cross-cutting activities related to partnership development, mobilization of finance and coordination at the level of the United Nations System. Thus, in the framework of pooling efforts “Delivering as one”, the office integrated some regional cooperation mechanisms at the managerial and technical level to sensitize the UN System country teams on the need to focus on the importance of regional integration in their country programs.
  3. The Secretariat informed the meeting that partnership between the UMA and the ECA has led to achieve significant improvement in the synergy between the activities undertaken by the two institutions to attain the development objectives of the member States and the lay the foundations of regional integration. These activities covered various areas including harmonization of cyber legislation in the Maghreb, the inclusion of young people in the development strategies, and the promotion of renewable energy’s development. The cooperation program has also contributed to strengthening the UMA participation in the continental activities and increased the partnership by supporting the implementation activities of the UMA.
  4. The Secretariat informed the meeting that consultations are being launched with the concerned actors including non-state actors such as professional associations, the NGOs and other civil organizations with a view to establishing a broader partnership to support the regional integration process.

**Special session on the regional integration in North Africa**

**Introduction: facilitation of trade and Free Trade Zone performances.**

* 1. In the introduction to the special session on regional integration, the Secretariat made a presentation on trade facilitation and Free Trade Zone performances. In this presentation, the Secretariat demonstrated the importance of intra-regional trade facilitation measures to boast regional integration and cooperation. It affirmed that in order to be efficient, these measures should affect the entire value chain of products and services. The Secretary then called for the continuation of the modernization of Customs procedures, improvement of infrastructure, elimination of non-tariff barriers and the promotion of private-public partnership among the Maghreb countries and among the North African countries in general. The presentation called upon the countries to harmonize standards and rules based on the international agreements and to benefit from good practices and experiences in the field.

Facilitation of inter-state trade transport-transit in North Africa: Tunisia case study (Ministry of Trade-Tunisia)

* 1. The presentation focused on the major instruments Tunisia used within the framework of its trade facilitation program. Three actions can be retained :(i) the improvement of the legislative framework with increased liberalization of exports and imports in addition to updating laws on trade by adopting a participatory approach. (ii) the creation of one stop shop for all companies to link them to all stakeholders and (iii) the creation of a virtual office, electronic exchange network to accelerate product claims.
* Opportunities and constrains regarding trade facilitation: the private sector perspective (universal transit – Algeria); and the Customs administrations perspective (Moroccan Customs)
  1. The representative of the Customs administration of Morocco has also presented the main actions implemented by his country to facilitate movement of goods. These actions relate to both (i) the regulatory framework that has evolved towards the institutionalization of partnerships between government and professional associations,(ii) procedures that have evolved in a logical simplification, standardization, logistics assistance, dematerialization with the proliferation of non-border clearance areas, (iii), the abandonment of the systematic control system. He then presented Morocco's strategic objectives for trade facilitation that aim to improve significantly trade conditions with the rest of the world through the upcoming launch of a one stop shop and electronic systems for document exchange.
  2. Commenting on the presentations, a professional logistics sector (Universal Transit, Algeria) recognized that the various measures taken both in Tunisia and Morocco are likely to facilitate trade. However, he stressed the importance of shortfalls of the continent as a whole and the countries of the sub-region in particular, due to the absence of a regional vision in the national strategies for transport infrastructure and logistics development. He concluded by underlying the role that private regional operators as well as the benefit and other scale economies that could be drawn from creating synergies between their respective capacities.
* TIR convention and opportunities for North Africa (Special TIR advisor, IRU)
  1. The presentation has briefly introduced the International Road Transport Union (IRU) and its attribution and achievement since its creation. It then introduced the TIR system as a proven and cheap instrument for facilitating multi-modal transportation, multilateral and global transport. It was designed on the basis of the UN conventions that the countries adhered to and which the IRU is the designated manager. The IRU system is based on six pillars: safety of vehicles and containers, implementation of international guarantee chain, mutual recognition of Customs control, access control by the IRU or Customs administrations and the Electronic Pre-Declaration.
  2. The presenter then listed the advantages of using the IRU system; the exchange of information in advance facilitates risk analysis before the goods arrive and makes border crossing safer, simpler, and faster. Thus, such decrease in the time spent waiting at the frontiers facilitates exchange, increases efficiency, improves control, and secures trade and transportation.
  3. Based on selected examples taken from across Africa, the presenter showed the gains associated with the use of the IRU system before informing the Member States of the procedure for accession and ratification. He concluded his statement by encouraging non- party States to make every effort to sign agreements, and urged the ECA to support the African delegation of the IRU for this purpose
  4. Following the presentations, discussions focused on ways and means to strengthen regional integration, notably within the UMA framework and the other RECs in North Africa and learn from good practices in terms of trade facilitation, diversification and sophistication of trade. Discussions emphasized the points annexed to this report.

# REVIEW AND ADOPTION OF CONCLUSIONS AND RECOMMENDATIONS OF THE EXPERT MEETING RIO +20(Item 12 of the Agenda)

* 1. The recommendations of the expert group meeting on sophistication and diversification of the North African economies were submitted to the committee who amended them and adopted them as shown in the annexed document.

# Date and venue of THE XXVIX ICE MEETING *(Item 13 of the agenda)*

* 1. It was agreed that the twenty ninth session of ICE should take place before the conference of African ministers of economy and finance scheduled to convene in 2014. It will be held in Rabat unless another member State informs the Secretariat of its wish to host it.

# Review and adoption of the XXIX ICE meeting report (Item 14 of the agenda)

* 1. The Committee examined and adopted the recommendations of the XXIX ICE meeting as shown in the annexed document.
  2. The Committee has then adopted the present report which includes the amendments it made during its review and asked the Secretariat to forward them to the conference of ministers.