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**STATEMENT BY H.E. DR. SALIM AHMED SALIM
SECRETARY GENERAL OF THE OAU
AT THE OPENING OF THE CONTINENT-WIDE SEMINAR
ON THE AFRICAN ECONOMIC COMMUNITY
ADDIS ABABA, 26 JULY 1993**

Excellencies,

Mr. Layashi Yaker, UN Under Secretary General
and Executive Secretary of the ECA,

The Representative of ADB,

Participants,

Ladies and Gentlemen

First of all, let me welcome you all to Addis Ababa, especially those of you who have travelled long distance to participate in this seminar. I should also like to express my profound gratitude to the Ambassadors present here as well as the other representatives of the Member States, who in spite of their busy schedules, have accepted our invitation. Furthermore, I should like to take this opportunity to thank the resource persons who agreed to share ideas with us and to make their contributions to the various sub-themes of this seminar.

Secondly, I should like to pay special tribute to my brother and colleague, Mr. Layashi Yaker, who has demonstrated in various capacities and functions, his commitment to the economic development of the African region. Indeed, I am convinced that our cooperation with ECA and ADB has increasingly become stronger as a result of our constant and regular consultations on a wide range of issues of interest to our three institutions and to our continent. The holding of this seminar at Africa Hall and the active participation of ECA and ADB officials in its preparations is a clear manifestation of our cooperation and our determination to resolutely work together in the implementation of the Treaty establishing the African Economic Community.

May I also take this opportunity to express my very sincere gratitude to the representatives of the agencies of the United Nations system and the European Community for having accepted our invitation. In this regard, I should like to pay special tribute

to the UNDP without whose assistance this seminar would not have taken place. Significantly, the UNDP has now become a major Actor in OAU's efforts towards creating an enabling environment for the implementation of the treaty establishing the African Economic Community. In this connection, let me stress that the OAU will continue to count on UNDP support, especially during this crucial time, as the region embarks on the implementation of the Abuja Treaty.

Excellencies,
Participants,

You will have probably noticed that, in our midst, we also have participants other than representatives of governments and of the agencies of the United Nations system. This is because of the very unique character of the seminar. Our purpose has been to broaden participation in the seminar, by including as many actors as we could afford to bring together, in order to discuss matters relating to the implementation of the Treaty establishing the African Economic Community.

It is in this context that we have invited, in addition, representatives of the media, the Regional Economic Communities, Non-Governmental Organizations (NGOs), Trade Union representatives, Chambers of Commerce, Youth and Women Organizations. It is, in a sense, one of the first measures we have taken in the spirit of the African Charter for Popular Participation to promote popular participation in the making of the African Economic Community.

This seminar is taking place within one month after the conclusion of the Cairo Summit. The Cairo Summit was very significant in many ways. I will not go into details, regarding the outcome of that Summit. However, I should like to underscore the relevance of the Cairo Summit to this seminar.

Most of you are, no doubt, aware that the 29th Ordinary Session of the Assembly of Heads of State and Government of the OAU adopted, for the first time, a landmark Declaration on the establishment of a Mechanism for Conflict Prevention, Management and Resolution within the framework of the OAU. This was done in recognition of the fact that peace and stability were a necessary condition and a pre-requisite for the continent's economic development. Conflicts in Africa, like anywhere else, have hampered and undermined the continent's credibility and ability to uplift the socio-economic conditions of our people. Resources, which could otherwise have been put in development projects and programmes, have been squandered in futile fratricidal wars, causing untold suffering and misery.

It is in this connection that the OAU has now embarked on this agenda on conflict resolution in our search for peace and stability, as the necessary preconditions for economic cooperation, democratization and development of the continent. This is an agenda that we have set for ourselves to tackle. We owe it to our continent and to future generations. We strongly believe that the implementation of the Abuja Treaty, therefore, will greatly benefit from an environment of peace and stability. Here I wish to welcome the signing of the Peace Agreement yesterday in Cotonou, Benin, between the Warring Parties in the Liberian Civil War. This agreement, which the OAU, the UN and ECOWAS worked closely in assisting its realization ushers in a new hope for peace in that conflict torn country. We look forward to its scrupulous implementation. We are also very hopeful that in the very near future, a Peace Agreement on Rwanda, being facilitated by the President of Tanzania with the active involvement and support of the OAU, will be signed thus ending the unfortunate civil war that has brought havoc and destruction in that country for the last three years.

Cairo was also important in another way which is directly relevant to our discussions in this seminar. We went to Cairo with twenty-six (26) countries which had ratified the Abuja Treaty. We left Cairo with thirty-one (31) ratifications which have already been deposited with the General Secretariat.

To this end, we left Cairo with a renewed hope and assurance that those countries which had not yet ratified the Treaty would do so soon. I am sure that by the end of the year, we should be able to have more than the required two-thirds majority of ratification in order for the AEC Treaty to come into force.

Excellencies,
Participants,
Ladies and Gentlemen

Regarding the implementation of the Treaty, I should like to underscore here that its implementation should not be seen as an exclusive business of Member States alone. Nor should it be the responsibility of the Secretariat of the Organization of African unity alone. Each one of us, each of our institutions including those which are not represented here has a role to play. I am thinking, for instance, about the role of the media, the youth, institutions of higher learning, women organizations, Chambers of Commerce, Trade Unions, professional Associations, Non-Governmental Organizations as well as private sector. The involvement of the cross-section of our societies and institutions will greatly facilitate actions at the national level. Indeed, there are many actions which you, your organizations or the governments could carry out in order to promote and galvanize the support of communities and to increase their awareness about the importance of regional integration and economic cooperation in Africa. It is a common challenge and duty for all of us to collectively contribute

to the success of the regional integration and economic cooperation among African countries.

Excellencies,
Participants,

While the participation of each one of us and our institutions as well as our governments is crucial, I should, however, like to stress here the importance and role of the Regional Economic Communities (RECs) in the building of the African Economic Community. The Treaty clearly recognizes that Regional Economic Communities such as ECOWAS, ECCAS, UMA, PTA and SADC constitute the cornerstones of the community enterprise. In this connection, it is imperative to recognize the tangible achievements so far made by the above mentioned regional economic Communities.

First, I will take the case of ECOWAS where projects in the area of agriculture, telecommunications, industry, regional road networks have been financed by the Cooperation, Compensation and Development Fund established by ECOWAS. This sub-regional organization has also made important advances in the area of trade liberalization. A Clearing House has been established and it works in tandem with the Central Banks of the region in order to facilitate inter-state trade and payments.

Secondly, the most glaring example of gradual success of ECOWAS, and which we have also embarked on in the OAU/ECA framework, is with regard to the freedom of movement of persons and goods within that region. The AEC Treaty provides for a similar Protocol on Freedom of Movement of Persons, the Rights of Residence and Establishment. Negotiations of this Protocol are in an advanced stage. As a matter of fact, the OAU Permanent Steering Committee concluded its second reading in April this year.

Important achievements have also been made in Eastern and Southern African region. The PTA Trade and Development Bank has been in existence for eleven (11) years. Another major achievement of the PTA has been the establishment of the PTA Clearing House and the use of PTA Traveller's Cheques within the region (UAPTA). It is to be recalled that before the PTA Clearing House was introduced in March 1984, 90 per cent of intra-PTA trade was being paid for in convertible currencies.

Today, 70 per cent of total intra-PTA trade and payments is done through the Clearing House and about 61 per cent of it is paid in local currencies. This has released some pressure on the use of hard currencies. Tariffs and non-tariff barriers to trade have also been significantly reduced or streamlined within the region (the reduction account for 62% over the past ten years). There are other successes in the areas of industry, agriculture, transport and communications, etc. The Southern African Development Community (SADC) has also recorded noticeable achievements.

SADC's major area of success has been in the mobilization of resources to finance several multinational development projects in its Member States in the areas of transport and communications, agriculture and fisheries, industry, etc. A number of development projects have actually been put in place in all SADC Member States.

Thirdly, the Arab Mahgreb Union (UMA), whose Treaty was signed in 1989, has made similar strides in the area of harmonization of taxes on imports, freedom of movement of the citizens of the region, the promotion of complementarities in the area of industry, energy and agro-based industries and especially food.

It is therefore clear that there have been some achievements in the Regional Economic Communities. I am convinced that the AEC will gradually build on these and make further advances.

Notwithstanding these achievements, we cannot, however, underestimate the problems which continue to face these institutions, particularly in the area of financial resources. I believe some of the problems could be avoided through greater rationalization and harmonization of the many inter-Governmental Organizations on the continent. Additionally, there is imperative need for faster trade liberalization, monetary harmonization as well as infrastructural developments.

Excellencies,
Participants,
Ladies and Gentlemen,

The approach to regional integration and economic cooperation we have opted for in Africa derives from our experiences. The Abuja Treaty approach flows logically from the guiding principles which are enshrined in the Lagos Plan of Action and the priorities which our governments have identified and agreed upon to address collectively. It is my view that regional cooperation and integration is a process. Such a process should be regional specific. While it is important to learn from the experiences of others it is imperative that Africa has its own approach to regional integration and cooperation. The Abuja Treaty clearly states that we should build on the existing Regional Economic Communities, strengthen them where they are weak, and to harmonize their activities in order to "foster the gradual establishment of the African Economic Community". That is the approach we have decided to adopt.

To this end, I should like to conclude my remarks by underlining the importance of each of the sub-themes that you will be covering during this seminar; whether it is the question of financing integration projects and programmes, popular participation or popularization of the AEC Treaty. All these fall

within the framework of the priorities, strategies, programmes and policies which you will be discussing these few days.

It is my expectation that this seminar will mark the beginning of a matrix of interaction and discussion of these issues, within and outside your respective countries and institutions in order to turn Africa's dream to become a reality, and for the AEC to take root and grow in strength.

I wish you fruitful meeting and discussions.