



Distr.: GENERAL

ECA-NA/RABAT/ICE/XXI/7
April 2006

**UNITED NATIONS
ECONOMIC COMMISSION FOR AFRICA**

ENGLISH

ECA Office for North Africa

Twenty First Meeting of the Intergovernmental Committee of
Experts (ICE)

Rabat, Morocco
4-6 April 2006

**ACTIVITIES OF ECA OFFICE FOR NORTH AFRICA
(April 2005 – March 2006)**

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I. Introduction

1. The present report covers the Office's activities between April 2005 – March 2006 ; that is to say, since the latest meeting of the Experts' Intergovernmental Committee (EIC), within the framework of the working programme for 2005 – 2006, which aims at : (i) promoting the harmonisation of national policies in various sectors to sustain integration efforts ; (ii) sustaining the efforts of member States with a view to consolidating growth and development ; (iii) contributing to the achievement of the goals of the New Economic Partnership for Africa's Development (NEPAD) ; (iv) consolidating Regional Economic Communities (REC).

II. Main activities¹

2. The Office's main activities hinged on the exchange of experiences, the analysis of policies and the reinforcement of capacities. They were carried out in close collaboration with the member States, the regional organisations and the United Nations system. The achievements include publications, meetings, seminars, consultancy services and special events.

A. Experts group's special meetings/ workshops/ seminars

3. The Office held the following meetings:

(i) Interactive of the Commission on HIV/ AIDS and Governance in Africa (CHGA) (ECA-NA/RABAT/CHGA/05)

4. In collaboration with the Commission on HIV/ AIDS and Governance in Africa, and the Government of Morocco, the Office held, between 22 and 23 April 2005, in Casablanca, an interactive on the socio-economic impact of HIV/ AIDS. The forum is an enlarged consultation framework aiming at highlighting the challenges posed by HIV/ AIDS to African countries, to ultimately formulate recommendations for adequate measures to counterbalance the disease.

5. More than one hundred individuals from varied backgrounds (governments, United Nations organisations and researchers, bilateral cooperation, individuals living with HIV/ AIDS and youths) tackled the following themes: (i) the Global Fund and national needs; (ii) planning needs in human capital; (iii) HIV/ AIDS and youths; (iv) prevention and transmission from mother to child, and (v) HIV/ AIDS and food security. North Africa was represented by governmental and non governmental organisations from Libya, Mauritania, Morocco and Tunisia. A session was dedicated to the Moroccan national response to the HIV/ AIDS challenge. The forum's recommendations were integrated in the Commission's final report.

¹ For more information about the presented activities, more particularly the documents submitted to the ECI and the meetings publications and reports, please visit the office website: // www.uneca-na.org

(ii) Regional workshop on « Designing Codes and Implementing Standards for Corporate Governance » (ECA-AN/RABAT/GOV/Report)

6. The ad hoc experts' workshop on « Designing Codes and Implementing Standards for Corporate Governance» took place in Salé/ Rabat from 5 to 7 December 2005. It aimed at bringing together governance experts with a view to studying the reforms to engage for a better corporate governance in North Africa. The event focused on codes and standards harmonisation, and addressed one of the most serious challenges facing corporate governance. In the end, the workshop formulated recommendations along with a Plan of Action.

7. These recommendations invite the countries to elaborate corporate governance-related awareness-raising programmes as well as national directives compatible with the international standards of corporate governance. The countries are called to exert more efforts so as to reinforce institutional and human capacities at the national and regional levels alike. They are equally called to accelerate the implementation of reforms in the banking and finance sectors, to set up promotion systems of promotion, diffusion and exchange of information on corporate governance. Finally, the ECA was required to explore, in collaboration with other international institutions, the practical mechanism to help the countries having already established structures likely to accompany the implementation of the workshop's recommendations.

(iii) Training workshop on mainstream unpaid work and household production into national policies and budgets (ECA-NA/RABAT/GENDER/2)

8. Supported by the ECA Gender division, the Office organised, between 12 and 16 December 2005, in Rabat, a training workshop on guidebook to mainstream unpaid work and household production into national policies and budgets. The event aimed at reinforcing national capacities so as to integrate gender questions into national accounts and budgets, estimate the household time use disintegrated according to gender and establish national time use accounts as well as satellite accounts describing household production.

9. Representatives of North African member States, regional, non governmental and the United Nations system's organisations in Morocco and academics took part in the workshop. In the end, the participants recommended that the ECA hold meetings with a view to exchanging experiences in the field of budget-time investigations as well as complementary trainings to deepen certain tools such as the Social Accounting Matrix and gender. As many countries have launched budget-time investigations, a network might be established among the concerned parties.

(iv) Seminar on development perspectives in North Africa: the challenge of water and environment

10. To sustain countries' efforts against the challenge posed by water management and environment protection, the Office organised, from 21 to 23 February 2006, in Tunis, a seminar on the challenge of water and environment in North Africa. The event was held in close collaboration with UN Water-Africa, ECA's division of sustainable development, and the Sahara and Sahel Observatory (Tunisia).

11. In the course of the seminar, the interaction among water resources development, concurrent needs and the degradation of environment was discussed. The occasion was also favourable to identify tendencies and the likely constraints and the review of the range of techniques to meet the needs, the production and the valorisation of water through institutional and organisational aspects.

12. The seminar adopted a draft Plan of Action on « water, environment and sustainable development » which, once finished, would provide guidance for all parties' efforts to formulate, implement and evaluate policies and programmes for the equitable and durable use of water resources and the protection of environment.

(v) Round table on the evolution of economic structures in North Africa
(ECA-AN/RABAT/TR/Report)

13. In accordance with the recommendations of the Experts Intergovernmental Committee (EIC) during its 20th session in 2005, the Office organised, between 7 and 9 March 2006, in Rabat, a round table on the evolution of economic structures in North Africa. In addition to the main goal which is to better understand the functioning of the economies of the countries of the region and determine the most interlinked sectors in the productive texture, this meeting tackled the following questions:

- The optimal method to evaluate structural changes and diversification.
- The factors favouring diversification of structures and an increased diversification of production and exportations. A particular emphasis was put on good governance, the role of women, information technologies and human capital.

14. The meeting discussed opportunities, according to the economic structures of the countries, the integration of the economy of the region, particularly the trading aspect and the expected effects of such an integration on the economic structures.

The meeting led to recommendations as to a better follow-up of the evolution of structures and a better diversification of North African economies, notably within the perspective of regional integration. Equally, the meeting led to the recommendations as to the analysis of the behaviour of the private sector, and that of growth-employment-poverty relationship, the reinforcement of human and institutional capacities, and promotion of promising sectors. Equally, the round table recommended that the gender dimension be better integrated into development strategies, educational systems be rethought for a better adaptation to the needs and for concentrating the strategic approach of development on the economy of knowledge and of information and communication technologies.

B. 21st meeting of the Intergovernmental Committee of Experts

15. The 21st Session of the Intergovernmental Committee of Experts will take place from 4 to 6 April 2006, in Morocco. The meeting will focus on the themes described below.

(i) The economic and social conditions in North Africa

(ECA-AN/RABAT/CIE/XXI/2)

16. This report tackles the economic and social performance, through insisting on the regional aspects. Elements which have influenced this year's conjuncture, notably the high prices of petrol and drought, will also be addressed.

(ii) Trade in North Africa

17. This report will tackle two themes:

- Trade aspects of regional integration (ECA-AN/RABAT/EIC/XXI/3/I)

This part sheds light on the questions to tackle with a view to reinforcing economic integration. It concerns the gauging and evaluation of progress achieved in the realization of mutually agreed commitments, notably in the framework of free trade agreements, challenges posed to the bettering of intra-regional trade, the promotion of policies coherence and the support to the reinforcement of trade negotiations capacities.

- Rules of origin (ECA-AN/RABAT/EIC/XXI/3/II)

This section responds to the request made by the member States during the EIC's 19th session. An introductory note will allow the review of questions such as the multiplicity of the rules of origin within the framework of free trade agreements, their impact on trading, the harmonization of preferential rules and their adaptation to the non preferential provisions of WTO.

(iii) Evolution of structures in North Africa: 2nd stage

(ECA-AN/RABAT/EIC/XXI/4)

18. The report will present the main conclusions and recommendations of the deepening of the study on the evolution of economic structures as well as those of the round table organised on this question. The findings of the debates will allow giving a new orientation to the pursuit of the study by the Office.

(iv) The economic report 2005 on Africa

19. The economic report for Africa (ERA) will be presented and launched officially.

(v) The challenge of water and environment (ECA-AN/RABAT/EIC/XXI/5)

20. The report sums up the main outcomes of the Office's activities in the area of water and environment. The major challenges of water, environment and sustainable development are thus recalled. Afterwards, the report presents the propositions relative to the Plan of Action on "water, environment and sustainable development" adopted by experts in Tunis with a view to supporting countries' efforts against the challenge of judicious water and environment management.

(vi) Report on international and regional agendas (ECA-AN/RABAT/EIC/XXI/6)

21. This document informs the Committee about the important event, concerning the region and the member States, which took place at the international, African and North African levels.

(vii) Report on the Office's activities (ECA-AN/RABAT/EIC/XXI/7)

22. This report will review the main activities carried out during the period between April 2005 – March 2006: the analysis of economic performances; the deepening of the analysis of the evolution of economic structures; the trading aspects of regional integration; the rules of origin in regional and international trading; and the questions relative to water and environment. The first progress made in the project *Observatory of integration in North Africa* will also be presented.

(viii) Programme of work for the period 2006-2007 (ECA-AN/RABAT/EIC/XXI/8)

23. This document presents the activities to be carried out during the period April 2006 – December 2007.

C. Publications

(i) Economic and social conditions in North Africa: five-year evaluation (2000-2004) (ECA-AN/PUB/06/1)

24. This publication describes the economic performances in 2004 and carries out a retrospective study on the region between 2000 and 2004. It tackles important topics such as water, HIV/ AIDS and gender.

25. The first section presents the evolution in the short term of the macroeconomic indicators and the predominant conjuncture in North Africa in the course of the year 2004. The second section analyses the evolution between 2000 and 2004 of the GDP, its distribution according to the three major sectors and its structure according to its use (consumption, investment and exportation). An attempt is made to determine the promising sectors and analyse the constraints and factors influencing structure evolution. The third section of the publication deepens the aspects relative to the participation of women in the economic activities as well as the challenges posed by water and HIV/ AIDS².

(ii) Report on the development of water resources (ECA-AN/PUB/WATER/8)

26. In April 2005, within the framework of the AWICH workshop of UN Water-Africa project, the Office organised, in Cairo, a meeting to review the preliminary version of the reports on the development of water resources submitted to the last meeting of the EIC.

27. The training workshop organised by UN-Water Africa on the centralisation of geographical information on water in North Africa was marked by the participation of about forty decision-makers, experts in water and specialists in geographical information. The

² The publication is being edited.

training focused on the basic concepts of satellite data infrastructure, the project TIGER and the other initiatives, the centralised information standards and nodes and the techniques of creating and managing meta data on the basis of real data.

28. Afterwards, the participants proceeded to the detailed review of the report on water. They advanced many observations concerning the content, the form, the quality of the data and the relevance of the conclusions and recommendations. The reports were finalised in the light of these observations.

29. The report took stock of the situation of water in terms of potentiality and extraction. It identifies the serious problems posed by these concurrent needs, demands and uses as well as by the management of water and presents the success achieved and the constraints and hardships faced in the implementation of the African Vision of water for 2025. Finally, it formulates recommendations as to the path to follow.

(iii) Study on the impact of HIV/ AIDS on some North African economies

30. The publication on the impact of the HIV/ AIDS on certain North African economies follows from the regional meeting on HIV/ AIDS which took place between 31 October and 2 November 2000 in Tripoli, Libya. During the said meeting, the member States underscored that HIV/ AIDS presents a threat to development and recommended that socio-economic research be carried out to identify the current impact and potential of the disease.

31. In the light of four case studies, the report highlights the socio-economic impact of HIV/ AIDS at the microeconomic and macroeconomic levels. North Africa being a region of weak prevalence, the impact is particularly observed at the level of the incomes and expenditures of the people infected and of their families as well as at the level of the budgets of the States' budgets dedicated to taking into charge the costs of antiretroviral drug. On the basis of modelled projections, the study also highlights the likely economic impact of this epidemic. Finally, it formulates recommendations as to actions to carry out to attenuate the impact of HIV/ AIDS on the individuals affected, their families and States' budgets. A particular emphasis will be placed on the necessity of a policy of rapid, large and persistent prevention. This publication is being finalised.

III. Observatory for regional integration in North Africa

32. The accompanying of the process of regional integration, which remains a priority for the ECA, is carried out by the regional Office. However, the lack of relevant information at the regional level and the intervention of the Governments of the member States, the private sector and civil society impede the studies and the analyses.

33. To remedy this situation, the Office suggested setting an Observatory for regional integration that the principle of which was retained during the twentieth session of the EIC. The main goal of the Observatory is to create a platform of knowledge and interaction which would allow the follow-up of the process of regional integration to ultimately reinforce it. To this end, the Observatory will get down to the creation, collection, exploitation, analysis and diffusion of the information related to regional integration.

A presentation of the first version of the Observatory will be done during the EIC meeting in 2006.

IV. Collaboration, international cooperation and interinstitutional harmonisation and liaison

34. In the course of the period in question, the Office collaborated and cooperated with the regional Organisations, the United Nations Systems and other institutions in various domains. Equally, the Office participated in the 39th Conference of African Ministers of Finances, Planning and Economic Development, held between 14 and 15 May 2005 in Abuja, Nigeria, and in the World Summit of Information Society, held in Tunis, from 16 to 18 November 2005.

A. Mission of support to the African Peer Review Mechanism

35. Following Algeria's adherence to the African Peer Review Mechanism, the Office participated in two missions of support to the implementation of the process of self-evaluation. They consist of representatives of the Secretariat of the APRM and of the NEPAD and the three strategic partners, namely ECA, ABD and PNUD.

36. The first mission (Algiers, July 2005) allowed carrying out deep consultations with the government, high officials, political parties, parliamentarians and representatives of the organisation of civil society on the process of self-evaluation. Coordination mechanisms and a working programme were set up with a view to preparing the national report on self-evaluation and the Programme of Action was also established.

37. The second mission allowed the establishment of a dialogue between the Executive and the members of the national Commission and the technical institutions of evaluation on the policies, the programmes and the projects under way in the different ministries within the framework of the implementation of the programme of support to growth in medium term (2001-2004) and (2005-2009), the 50-billion-dollars programme sponsored by the State's budget. The national Commission of evaluation will be thus able to integrate these policies, programmes and projects into the Programme of Action which will be elaborated.

B. Collaboration with the United Nations System

38. The Office participated in:

- The training workshop organised by UN-Water Africa on the centralisation of geographical information on water in North Africa.;
- The process of preparation of the CCA - UNDAF for the period 2007-2011 (Morocco) and the integration of new programming instruments;
- The experts meeting on international migration and the development goals of the millennium, organised by the United Nations Fund for Population (Division of Arab countries), from 11 to 12 May 2005, in Marrakech;
- The different works of thematic groups for gender and HIV/ AIDS, particularly during the preparation of the World Day for AIDS in 2005;
- The works of the multidisciplinary international symposium on « Job Market and gender in the Maghreb countries», from 15 to 16 March 2006, in Rabat.

C. Cooperation with other organisations

39. The Association of the women heads of enterprises in Morocco (AFEM) invited the Office to take part in the international conference on “the act of investing by women in the Muslim countries”, between 24 and 25 September 2005, in Marrakech, Morocco.

40. A mission was carried out in Tunis in November 2005 in order to present ECA’s governance programme in a seminar on “Governance and Investment”, organised by the faculty of economics and management, Tunis.

41. The Office organised a regional seminar on the challenge of water and environment in close collaboration with the Sahara and Sahel Observatory, in February 2006, in Tunis.

V. Training programme

42. In application of its new policy for the promotion of research activities in the region, the Office initiated a short-term training programme in favour of youths, holders of university degrees. In this framework, the Office received:

- From April to June 2005, two internees from the University of Cocody in Abidjan, Ivory Coast, who carried out studies on:
 - o «*Regional economic integration and intra-zone trading in North Africa* »; and,
 - o «*Poverty and Growth in North Africa* »;
- From October to December 2005, an internee from the Centre for studies and research on international development (CERDI) from Clermont-Ferrand in France, within the framework of a *Master* in economic projects development and planning. The internee worked on a publication relative to HIV/ AIDS;
- From January to April 2006, a student from the university of Paris I (Panthéon Sorbonne) who works on « *Institutional evaluation of the Office of the ECA for North Africa* » within the framework of a *DEA* in political sciences;
- From March to May 2006, an internee from the university of Cocody in Abidjan, Ivory Coast, preparing a monograph on « *The stakes of setting up of an economic partnership Agreement on trade and public finances in the region* » to obtain a DESS in the Management of economic policy.

VI. Office relocation

43. To better serve its member States and be closer to its partners, notably the national institutions, the regional economic communities, the international organisations and of course the different Moroccan ministerial departments, the Office requested to be relocated (from Tangiers to Rabat) and obtained the consent of the Government of Morocco to this effect during the second term of 2005. The relocation was facilitated thanks to the High Commissariat for Planning, the Ministry of Foreign Affairs and Cooperation and the Ministry of Finances. The relocation also benefited from the support of the headquarters of the ECA in Addis Ababa and the division of legal affairs of the United Nations in New York.

44. Currently, the new premises need be decorated with cultural products representing the seven member States. To this end, a call has been launched.