

Acronyms

AAF-SAP	African Alternative Framework for Structural Adjustment Programmes
ADI	Agro-industry Development Initiative
AERC	African Economic Research Consortium
AfDB	African Development Bank
AGOA	Africa Growth and Opportunity Act
AIDA	Accelerated Industrial Development of Africa
AIDS	Acquired Immune Deficiency Syndrome
AMU	Arab Maghreb Union
AMV	African Mining Vision
APCI	African Productive Capacity Initiative
APRM	African Peer Review Mechanism
ATF	African Trade Forum
AU	African Union
AUC	African Union Commission
BRIC	Brazil, Russia, India and China
CAADP	Comprehensive African Agricultural Development Programme
CAMI	Conference of African Ministers of Industry
CEN-SAD	Community of Sahel-Saharan States
CEPR	Centre for Economic Policy Research
CFA	African Financial Community
CFTA	Continental Free Trade Area
CIF	Cost Insurance and Freight
CMT	Cut, Make and Trim
CNRC	Centre National du Registre du Commerce
COCAN	Cocoa Association of Nigeria
COCOBOD	Cocoa Board
CODESRIA	Council for the Development of Social Science Research in Africa
COMESA	Common Market for Eastern and Southern Africa
COPAN	Cocoa Processors Association of Nigeria
CSF	Critical Success Factor
DAC	Development Assistance Committee
DFQF	Duty-Free and Quota-Free
DOTS	Directly Observed Treatment Short Course
EAC	East African Community
EBC	Everything But Arms
ECA	United Nations Economic Commission for Africa
ECCAS	Economic Community of Central Africa
ECF	Ethiopian Competitiveness Facility
ECOWAS	Economic Community of West African States
ECX	Ethiopian Commodity Exchange
EEG	Export Expansion Grant
EIU	Economist Intelligence Unit
EMIA	Export Marketing and Investment Assistance
EPAs	Economic Partnership Agreements

EPC	Export Promotion Council
EPCI	Engineering, Procurement, Construction and Installation
EPZ	Export Processing Zone
ESM	European Stability Mechanism
ETF	Exchange-Traded Fund
EU	European Union
FAO	Food and Agriculture Organisation
FDI	Foreign Direct Investment
FOCAC	Forum on China-Africa Cooperation
FPEAK	Fresh Produce Exporters Association of Kenya
GDF	Global Development Finance
GDP	Gross Domestic Product
GHI	Global Hunger Index
GNI	Gross National Income
GRI	Global Reporting Initiative
GRIPS	Graduate Institute for Policy Studies
GSP	Generalised System of Preferences
GVC	global value chains
HCDA	Horticultural Crops Development Authority
HIPC	Heavily Indebted Poor Countries
HIV	Human Immunodeficiency Virus
HSRC	Human Sciences Research Council
ICCO	International Cocoa Organisation
ICO	International Coffee Organisation
ICSG	increasing costs of exploring and mining new areas
ICT	Information and Communication Technology
IDC	Industrial Development Corporation
IDS	Institute of Development Studies
IEA	International Energy Agency
IFAD	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institute
IGAD	Intergovernmental Authority on Development
ILO	International Labour Organisation
IMC	Industrial Modernisation Centre
IMF	International Monetary Fund
IPRCC	International Poverty Reduction Centre in China
ITNs	Insecticide-Treated Mosquito Nets
JIT	Just In Time
JOA	Joint Operating Agreements
KAM	Kenya Association of Manufacturers
KTDA	Kenya Tea Development Agency
LAC	Latin America and the Caribbean
LDCs	Least-Developed Countries
LICs	Low Income Countries
LLPTI	leather and leather product training institute
LME	London Metal Exchange
LTRO	Long-Term Refinancing Operations
MDGs	Millennium Development Goals
MDRI	Multilateral Debt Relief Initiative
MENA	Middle East and North Africa
MFA	Multi Fibre Agreement
MFN	Most Favoured Nation
MMR	Maternal Mortality Ratio
NDDC	Niger Delta Development Commission
NEPAD	New Partnership for Africa's Development

NNPC	Nigeria National Petroleum Corporation
NSDP	National Supplier Development Plan
NSE	Nigerian Stock Exchange
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
OMT	Outright Monetary Transactions
ONCC	Office National du Café et du Cacao
OPEC	Organisation of the Petroleum Exporting Countries
OSBP	One-Stop-Border-Post
PCRD	Post Conflict Reconstruction and Development
PIB	Petroleum Industry Bill
PIDA	Programme for Infrastructure Development in Africa
PPE	Personal protective equipment
PPIAF	Public-Private Infrastructure Advisory Facility
PPP	Public-Private Partnerships
PSC	Production Sharing Contract
PTDF	Petroleum Technology Development Fund
PTI	Petroleum Training Institute
QIZ	Qualifying Industrial Zone
RECs	Regional Economic Communities
RMG	Ready Made Garments
ROO	Rules of Origin
SACEEC	South African Capital Equipment Export Council
SACU	South African Customs Union
SADC	Southern African Development Community
SAP	Structural Adjustment Programme
SAR	Special Administration Region
SCID	Studies in Comparative International Development
SIC Cacaos	Société Industrielle des Cacaos
SODECAO	Société de Développement du Cacao
SPS	Sanitary and phyto-sanitary measures
SSM	Special Safeguard Mechanism
SURF	sub-sea umbilicals, risers and flow line
SWF	Sovereign Wealth Funds
TBT	Technical barriers to trade
TCF	Third-Country Fabric
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UN-DESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organisation
UNOSAA	United Nations Office of the Special Advisor for Africa
UNRISD	United Nations Research Institute for Social Development
UNU-WIDER	United Nations University World Institute for Development Economics Research
US	United States
USA	United States of America
US-GSP	United States-Generalized System of Preferences
USITC	United States International Trade Commission
WB	World Bank
WDI	World Development Indicators
WEF	World Economic Forum
WHO	World Health Organisation
WTO	World Trade Organisation

Acknowledgements

The Economic Report on Africa 2013, a joint publication of the United Nations Economic Commission for Africa (ECA) and the African Union Commission (AUC), was prepared under the leadership of Carlos Lopes, ECA's Executive Secretary, and Nkosazana Dlamini Zuma, Chairperson of AUC, with the active involvement of Abdalla Hamdok, Deputy Executive Secretary of ECA, and Maxwell Mkwezalamba, Commissioner for Economic Affairs, AUC. The report team benefited from the guidance and supervision of Emmanuel Nnadozie, ECA's Director of Economic Development and NEPAD Division, and René Kouassi N'Guettia, Director of the Economic Affairs Department, AUC.

The report's substantive team comprised Adam B. Elhiraika (Coordinator), Souleymane Abdallah, Bartholomew Armah, Chigozirim Bodart, Julianne Deitch, Adrian Gauci, Aissatou Gueye, Zheng Jian, Mama Keita, Samson Kwalingana, Ahamada Marie, Michael Mbate, Simon Mevel, Siope Ofa, John Sloan and Giovanni Valensisi, from ECA; Ndinaye Charumbira, Dauda Suma, and Hailu Kinfe, from AUC; and Tariq Haq, Michael Mwasikakata and Irmgard Nubler, from ILO.

Background papers were commissioned from Prof. Mike Morris and Dr. Judith Fessehaie, both of the University of Cape Town and nine country studies were undertaken by Dr. Youcef Benabdallah (Algeria), Dr. Désiré Avom (Cameroon), Mr. Rami Waguih Lofty Hanna (Egypt), Dr. Ahmed A. Kellow (Ethiopia), Dr. William Baah-Boateng (Ghana), Dr. Rosemary Atieno (Kenya), Prof. David Olusanya Ajakaiye (Nigeria), Prof. David Kaplan (South Africa) and Dr. Caleb Mailoni Fundanga (Zambia).

Useful comments were received from Stephen Karingi, Laura Páez and Gonzague Rosalie of ECA, Mr. Wilson Atta Krofah, Pan African Chamber of Commerce and Industry; Dr. Winford Masanjala, Ministry of Energy and Mining, Malawi; Ms. Khethiwe Mhlanga, Ministry of Commerce Industry and Trade, Swaziland; Ms. Wakap Tchagang Ariane, Ministry of Economy, Planning and Regional Development, Cameroon; Ms. Sampa Kangwa Wilkie, SRO-SA; Ms. Manisha Dookhony, Rwanda Development Board, Kigali; Prof. Yash Tandon, Independent Consultant, London; Prof. Benjamin Turok, Member of Parliament, South Africa; Prof. Ammon Mbelle, University of Dar es Salaam; Mr. Jean Bakole, UNIDO Regional Office, Addis Ababa; and Ms. Candide Leguede, FEFA CEDEAO, Lome.

We are particularly grateful for the expert advice provided by Dr. Ha-Joon Chang, University of Cambridge, UK; Dr. Yilmaz Akyüz, South Centre, Geneva; and Prof. Raphael Kaplinsky, Open University, UK.

This report would not have been possible without the contribution of the following: Doreen Bongoy-Mawalla, Hazel Scott, Etienne Kabou, Marcel Ngoma-Mouaya, Charles Ndungu, Teshome Yohannes, Ferdos Isa, Adeyinka Adeyemi, Mercy Wambui, Aloysius Fomenky, Tsitsi Mtetwa, Uzumma Erume, Agare Kassahun, Yetinayet Mengistu, Azeb Mognesse, Shewaye Woldeyes, Ariam Abraham, Solomon Wedere, Bekele Demissie of ECA; Bruce Ross-Larson and Jack Harlow of Communications Development Incorporated (CDI); Carolina Rodriguez, Giacomo Frigerio and Valentina Frigerio of Factblink; and Eunice Mafundikwa, Communication Consultant.

African countries have a real opportunity to capitalize on their resource endowments and high international commodity prices, as well as on opportunities from changes in the global economy to promote economic transformation through commodity-based industrialization and to address poverty, inequality and unemployment. If grasped, these opportunities will help Africa promote competitiveness, reduce its dependence on primary commodity exports and associated vulnerability to shocks and emerge as a new global growth pole.

This report argues that the question is not whether Africa can industrialize by ignoring its commodities, but rather how it can use them to add value, new services and technological capabilities—although this may not apply to all African countries and should not be the only way African resource-rich countries industrialize. Making the most of Africa's commodities requires appropriate development planning frameworks and effective industrial policies that are evidence based and take into account what influences linkage breadth and depth, as well as the structural and country-specific linkage drivers.