



AFRICAN INSTITUTE FOR ECONOMIC DEVELOPMENT AND PLANNING (**IDEP**)
UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (**UNIDO**)
DAKAR (SENEGAL)

**SHORT TERM COURSE:
ON INDUSTRIAL POLICY ANALYSIS
IN AFRICA:
21 APRIL-16 MAY 2008**

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COURSE ON INDUSTRIAL POLICY ANALYSIS IN AFRICA

1. INTRODUCTION

African countries at their early stages of industrialisation would need to emphasise local-resource-based industries such as textiles, or the processing of agricultural or mineral raw materials. At the same time, at all levels in their various production processes, African and other less developed economies do not have to re-invent the wheel but, rather, should take advantage of the new technological breakthroughs including the leap to microelectronics and the new information and communication technology for their industrial development.

For African countries, the East Asian Miracle of success in achieving rapid economic growth with equity provides lessons on the choice of development strategy. Over the past decades, the Group of 8 so-called high performing East Asian economies (HPAEs), had an extraordinary record of rapid and sustainable growth with improving equity beyond the performance by any other region in the World. Their success highlights the desirability of a two-track approach to development policy emphasising macroeconomic stability, on the one hand, and investment in people on the other. High levels of private domestic investment and savings, rapidly growing human capital, and an outward-oriented development strategy with extremely rapid growth in manufactured exports were the principal engines of growth.

African countries must benefit from this experience, adapted to fit their own circumstances. Central to this is an outward-oriented development strategy emphasising export promotion of small manufactures based on processed local raw materials. For most African countries, this involves processed agro-based products including textiles, groundnuts, coconuts, palm kernel, etc.), beverages (cocoa, coffee, tea, etc.), wood products, cement, and chemicals, among others. It is important to be clear about the role of government in creating an enabling environment in which incentives are provided for private enterprise (domestic and foreign) to thrive and to attract high levels of investment, bearing in mind all the different initiatives taken to promote industrialisation in African.

2. OBJECTIVE OF THE COURSE

The main objective of the course is to contribute to developing a critical mass of middle-high level policy and decision makers who will be better equipped to design and manage industrial development in Africa. The objective deals with the need expressed by various stakeholders to strengthen the development of an African expertise in order to formulate, conduct and evaluate industrial policies for Africa's sustainable development. Such capacity building in the industrial area is crucial through a design and implementation of relevant training and perfecting modules to better relate to emerging needs and requirements for more rapid industrial competitiveness and development.

Specific objectives include, inter alia (i) to provide participants with an understanding of key industrial development issues in Africa so as to be able to formulate and implement appropriate industrial development strategies and policies to address them, (ii) to provide training in skills and techniques for analyzing and monitoring industrial development policies, strategies and programmes to resolving the underlying structural deficiencies in the industrial sector in African economies and (iii) to strengthen the management of industrial policy, inter-agency dialogue and coordination of national economic policies and strategies among the various national agencies and institutions involved in industrial policy formulation, implementation and follow-up.

3. POLICY AGENDA SERVED BY THE COURSE

The programme will serve the African governments and Institutions, Regional and Sub-Regional Organizations, private sector including the Civil Society in Africa. IDEP and UNIDO developed the course and will continue to work together closely with the African countries in determining the details of the course content, its organisation, delivery, and resource mobilisation. IDEP is a Pan-African Institution.

4. TARGET PARTICIPANTS

- Middle and the most senior level policy-makers (ministers, senior directors or permanent secretaries etc...) or private sector industrial cadres responsible for industrial issues. Staff members in the secretariats of Sub Regional Economic Communities and in the Commission of the African Union.
- Researchers in national and international research institutions, University graduate students interested in industrial development in Africa. The course is also designed for senior level professionals working on industrial projects in the field who have had some practical relevant experience.
- Generalists in Planning, finance, agriculture, and science and technology ministries and departments are other potential beneficiaries as well as other participants from Central Banks, industrial development agencies, and chambers of commerce.
- Participants should justify a practical relevant experience in the area of industrial development and hold a minimum qualification of Bachelor's Degree.

5. EXPECTED SKILLS AND OUTPUT UPON COMPLETION

- Comprehensive understanding of the challenges and priorities of industrial development.
- Output of about 25 (per session) well trained, knowledgeable policy and decision-makers in industrial policy and development in Africa,
- Capacity in the formulation, management, monitoring and evaluation of industrial policies.
- Better understanding of industrial development process and strategies to high quality decisions taken in this area.
- Publication of good technical reports.

6. MODE OF DELIVERY

- The course would be delivered through alternate English and French sessions.
- Resource persons would include specialists in industrial policies and development, policy analysis and management in Africa. The panel of experts would also possess relevant expertise in the design and implementation of industrial policies with special practical emphasis in the design, appraisal and management of a wide range of industrial projects and programmes.

7. PEDAGOGICAL APPROACH

- The pedagogical approach will combine lectures, class workshops, individual research projects and field visits.
- It will emphasise practical applications through the use of case studies and group discussions. Simulation exercises will be designed to help participants upgrade skills in solving issues related to sectoral and multidisciplinary planning with accent on industrial sector policy analysis and management.
- Participants will have to work in groups and present short technical reports on specific themes covered in the course or of special interest related to African industrial development.

8. DURATION

- Number of weeks: 4
- Total number of hours: 100 hours

9. NUMBER OF PARTICIPANTS: 25 per session (two sessions / year)

10. 21 APRIL – MAY 16 2008

11. COURSE CONTENT

The course would consist of four main modules covering aspects pertaining to industrial development policies, strategies and management as well as practical applications involving field visits and preparation of technical reports by individual participants on the themes exposed during the course.

STRUCTURE

The course will be composed of four principal modules.

The modules will deal with the analysis of industrial development policies and strategies in Africa. They include a study of the first and second United Nations Industrial Development Decades in Africa, including their trend and experiences with regard to industrial development plans and programmes at the regional, subregional and national levels.

The modules will be based on the management of industrial policies as well as the restructuring and rehabilitation of the industrial sector. This will include, inter alia, the management of industrial policy incentives and the promotion of private Investment, the development of Small and Medium Scale Enterprises and the performances and management of public enterprises.

Furthermore modules will involve the analytical instruments and techniques of the sector and industrial projects. These instruments and techniques will include especially the determination of industrial product lines, product design and development, quality guarantee and reliability as well as the estimation, evaluation, control and management of industrial projects. It is in this context that participants will be acquainted with decision-making instruments such as the objectives trees, logical framework, the analysis of financial and social profitability (or returns), the critical path methods and programme evaluation and revision techniques (PERT), among others..

Lastly the course will deal with practical applications together with field visits and the preparation by each participant, of technical reports on themes studied in the course.

MODULES

MODULE 1: Analysis of industrial strategies and policies in Africa

Performance Objective

This module will serve as an introduction. It will enable participants to familiarize themselves with the general issues and problems of Industrialization in Africa. The course will draw on the experiences of other developing regions such as the high performance economies of

South-East Asia, as well as those of the developed countries of Europe and the United States. The module will study the principal industrialization strategies adopted in Africa, such as IDDA I and II, and more recently, AIA. Also, there will be some brainstorming sessions on industrialization perspectives, particularly the rehabilitation and revitalization of industries, the development of the private sector, the promotion and development of small and medium scale enterprises and the role of women in industrialization.

Module outline

1.1. An overview of African experiences in the field of industrialization: basic definitions; pre-colonial era, independence and post-independence

1.2 The first and second Industrial Development Decades : Analysis of industrial development plans and programmes at the regional, subregional and national level: industrial development experiences at the national, subregional and regional level.

1.3 Harmonization of the second Industrial Development Decade in Africa (IDDA II) and the second Transport and Communications Decade in Africa (UNTACDA II), with the Alliance for Industrialization in Africa (AIA).

1.4 The major issues related to industrial development in Africa : human resource development ; institutional support, especially in the fields of adaptation and development of standardization technology and quality control; information and industrial research ; infrastructural development ; financing of industries ; role of the informal sector, participation of women in manufacturing activities.

1.5 Current issues in the formulation of industrial policies; role of the State within the framework of a private sector driven industrial growth; promotion and support institutions and services ; investments promotion and investment codes ; technological capacities and issue of technology management ; structure of incentives (costs of transactions and production) ; the measures governing the flow of foreign direct investment ; human resource development.

1.6 Programmes aimed at guaranteeing product reliability, efficiency and quality.

1.7 Identification, preparation, appraisal, management and evaluation of industrial projects: decision-making instruments such as the objectives trees and logical frameworks; financial profitability analysis; analysis of social returns; programme revision and evaluation techniques (PERT); critical path methods, etc.

1.8 Strengthening productive/production capacity, Marketing or commercial capacity and capacity of quality improvement

1.9 Environmental concerns as expressed within the framework of the United Nations Conference on Environment and Development (UNCED) and its Agenda 21; the concept of sustainable industrialization.

MODULE 2: Management of industrial policies, rehabilitation and restructuring of the industrial sector

Performance objective

The objective of this module is to develop the capacity for the efficient management of industrial development policies with a view to the rehabilitation and restructuring of the industrial sector. Participants will acquaint themselves with the conceptual and operational aspects of the interactive policy formulation process. Through the course, participants will be required to prepare some preparatory project assistance documents with a view to capacity building in industrial development management in their respective countries. Furthermore, they will be required to develop the capacity to include in the interactive process, issues related to gender, SMEs and/or the environment.

Module outline

2.1 Industrial policies, restructuring and rehabilitation of the industrial sector .The context of the first IDDA. Evaluation of the achievements of the first IDDA. Structural Adjustment Programmes, the second IDDA, AIA and other initiatives of the 1990s and the 2000s.

2.2 The legacy of past policies ; new consensus with regard to industrial development strategies ; development of the private sector – approaches and practices ; privatization – issues, problems and practices ; strategic management of industrial development (process of interactive policy formulation) industrial restructuring at the enterprise level – problems and perspectives.

2.3 Development of small and medium scale enterprises (SMEs) : compared definitions by country ; characteristics of SMEs ; promotion of SMEs ; integration of SMEs within the framework of Interactive Policy Formulation (IPF).

2.4 IPF within the context of the principles of the framework and practices of AIA; operationalization of IPF ; implementation of IPF – problems and perspectives ; preparatory project assistance document on capacity building in the area of IPF.

2.5 Case studies on privatization. Performances and management of public enterprises: classical ideas ; structures and organs ; price determination ; objectives, conflicts and problems. Case studies on systems of evaluation and performance management

2.6 Industrial incentive measures and private investment: direct and indirect measures; promotion of new private investments; incentives for foreign investments; investment codes; promotion and incentives by international finance institutions

2.7 Study of the application software for the analysis of industrial products: Lotus, Quatro Pro, Excel, Statistical spreadsheets for social sciences (SPSS), computer model for feasibility analysis and reports preparation (COMFAR) etc

MODULE 3 :Instruments and techniques of industrial sector analysis and project evaluation

Performance objective

This module is aimed at equipping participants with the instruments and techniques for the determination of product lines, product design and product development, quality guarantee and product reliability. Furthermore, it will also provide training in the principles and

methodology of identification, preparation, estimation, management and evaluation of industrial products and projects.

Thus, participants will acquire and apply the technical and decision-making instruments required for an efficient analysis, management and monitoring of policies in the industrial sector..

Module outline

3.1 Study of scientific research methodology for the solution of problems and hypothesis testing: empirical instruments used in hypothesis testing and data analysis; elements of project analysis; techniques of problem resolution related to the theory of optimization, statistical methods.

3.2 Determination of product lines: evaluation of new lines of products and already existing lines; Products planning.

3.3 Design and development of industrial products: the cycle of innovations comprising pure research, applied research, product configuration from the standpoint of market research; the role of management; training and personnel policies.

Field visits will enable participants to test the relevance of the training that they have received, in relation to the realities on the ground. They will make some direct observations and findings on the field in order to link the concepts to real experiences and draw some lessons from them for a more advanced or in-depth analysis. From the findings, some preliminary evaluations can be undertaken concerning the applicability of some of the skills acquired to the functions performed by participants.

3.4 Field visits: industrial development projects; private small and medium scale enterprises located in industrial estates ; public sector enterprises. Field visits will be made to some localities in Senegal, and to the Chamber of Commerce and Industry and also to Manufacturers' Associations, etc.

MODULE 4: Practical applications: Presentation and research reports

Performance objective

During the period of the course, participants will be acquainted with research methodology in order to help them prepare their individual reports on themes and issues treated in the course. The principal objective is to develop the capacity of participants to undertake an in-depth reflection on the problems and issues of industrial development in Africa and to enable them to prepare and present some technical reports for evaluation at the end of the course.

4.1 Alternative approaches in industrialization, particularly, the experience of the high performance economies of East Asia. Lessons to be drawn from the Asian Dragons.

4.2 Industrialization strategies: export- led growth versus import substitution; links between agriculture and industry; advantages and disadvantages of « upstream » progression from light industries to heavy industries as against « downstream » progression from heavy industries to light industries.

4.5 The effects of globalization on industrial development, investment flows and technology transfer worldwide and their impact on the competitiveness of the industrial sector.

4.6 The economic aspects of regional integration : Industrialization and the African Union.

4.7 Preparation of reports: identification of problems; objectives and hypotheses to be tested; literature review; analytical framework, analysis of questions and methodology; empirical application; policy implications. Presentation of reports also done orally in a scientific and rigorous manner.