



THE INVESTITURE CEREMONY OF THE ASSOCIATION  
OF GHANA INDUSTRIES (AGI)

AT LABADI BEACH HOTEL ON  
11<sup>TH</sup> JANUARY, 2018

SPEECH BY  
KALILOU TRAORE  
ECOWAS COMMISSONER  
FOR INSUSTRY AND PRIVATE SECTOR

---

## PROCOLES

- ✓ Your Excellency, General Abdulsalami Alhaji Abubakar, Former President of the Republic of Nigeria
- ✓ Your Excellency, Mr. John Agyekum Kufour, Former President of Republic of Ghana
- ✓ Honourable Yaw Osafo-Marfo, Senior Minister of the Republic of Ghana,
- ✓ Honourable Minister of Trade and Industry and other Ministers Present,
- ✓ Your Excellency Nana Rd. Owusu-Afari, Chairman for this evening event,
- ✓ DR. YAW ADU GYAMFI, PRESIDENT Elected OF The Association of Ghana Industries (AGI)
- ✓ Rd. Frank Udemba Jacobs, MON, President of Manufacturers Association of Nigeria
- ✓ Invited Ambassadors of Various Countries represented here
- ✓ *His Lordship Justice P. Baffoe Bonnie, Justice of the Supreme Court of Ghana*
- ✓ *Most Rt. Rev. Prof. Daniel Yinkah Sarfo, Archbishop of Anglican Church, Kumasi*
- ✓ Members of the National Council of AGI and Captains of Industry
- ✓ **Distinguished and honorable guests, in your respective grades, qualities and functions,**
- ✓ Ladies and Gentlemen,

## *THANKS*

On behalf of His Excellency, Marcel Alain De Souza, President of the ECOWAS Commission, I would like to express my deep gratitude for the invitation to this important investiture ceremony of the AGI Ghana Industries Association.

I would particularly like to express my congratulations to the AGI Council and its new President Dr Yaw for this invitation and for all the facilities put in place for our participation in the event.

I express my high gratitude to His Excellency Nana Adu, President of the Republic of Ghana, to the entire Government and people of Ghana for their legendary hospitality and contribution to regional integration.

## *REMINDER ON ECOWAS*

Honorable guests, allow me to make a brief reminder of ECOWAS.

The Economic Community of West African States (ECOWAS) was established in 1975 to reach out to better address common development challenges.

Ecowas includes 15 countries with more than 360 million people and will have a market of more than 400 million consumers by 2020.

The region has recorded sustained average growth of more than 5% of GDP over the past decade and is making significant progress in a number of areas.

The ECOWAS Regional Authority of Heads of State has adopted a number of regional policies and programs to promote cooperation and integration between countries and to establish a common economic space.

These policies concern, among others, the fields of:

- peace and security, good governance and democracy;
- free movement of persons and goods, residence and establishment
- Harmonization of sectorial policies in agriculture, energy, industry, health, education etc.
- infrastructure development, especially the Abidjan Lagos axis, which accounts for 70% of regional trade
- Adoption of the Common External Tariff

- Macroeconomic convergence with a view to setting up a regional payment system and ultimately creating a common currency
- etc.

Significant progress has been made in these areas making ECOWAS one of the best communities in the continent and attracting many investors.

Despite these advances, many challenges remain to be overcome in order to realize our integration ideal.

### *CHALLENGES AND ACHIEVEMENTS IN INDUSTRIALIZATION*

Ladies and gentlemen, honorable guests,

In the area of industrial development, the ECOWAS Treaty adopted by the States has established regional industrial cooperation as one of the priorities of the regional economic integration process.

Unfortunately, each country continued to develop and implement its national industrial development policy with weak cooperation at the regional level.

This has led to the following limitations:

- Region's excessive dependence on imported manufactured goods;
- The excessive export of raw materials that have been little processed.
- The low contribution of the manufacturing industry, which represents barely 7% of regional GDP.
- The low level of investment in the industry in general and in the manufacturing industry in particular.

It is in recognition of this weakness that the Heads of State of Ecowas adopted in 2010, the West African Common Industrial Policy (WACIP)

The objectives of WACIP are for 2030:

- To double the transformation rate of local raw materials
- To triple the contribution of manufacturing industries to regional GDP,
- To quadruple intra-community trade in West Africa

- Increase the volume of manufactured exports

**The WACIP implementation strategy reviewed by Industry Ministers in 2015 sets the following main lines:**

- **Strengthening national governance and industrial plans:**

*(Vision and industrial policy, industrial plan, adequate regulation, industrial zones, etc.),*

- **Strengthening Competitiveness and Quality**

- **Strengthening market access:**

*(Lifting of many barriers to market access, logistical difficulties in the transport of goods, weak market protection against fraudulent imports and counterfeit goods)*

- **Strengthening the Resource mobilization**

**The regional sectorial priorities of WACIP are:**

- **Agro-industry and the food industry**
- **Pharmaceutical industry,**
- **The automotive industry**
- **The construction materials industry**

### **Concerning the regional quality policy**

The successive quality programs initiated by the Commission have enabled the region to put in place the necessary fundamentals to solve quality problems over the long term.

We can notably mention,

- Ecowas Quality Infrastructure Scheme to serve as a connection between national quality infrastructures,
- the ECOWAS Standards Harmonization Model (ECOSHAM),
- the Accompanying Mechanism which allowed the accreditation of several national laboratories and evaluation bodies,
- The Supporting Device that has enabled the certification of several companies to ISO certifications.

The Commission will organize on January 29th in Dakar, the first Regional Quality Forum, which will devote the establishment of the basic structures of the Regional Quality infrastructure that are:

- The Community Quality Council and
- The 5 Community Committees for Technical Regulation, System of Accreditation, Conformity Assessment Committee; Metrology Committee, Harmonization of Standards
- The Regional Association of Quality acting as a quality agency of Cedeao

### **In the area of agro-industry,**

Some products have a regional dimension and must be promoted such as cocoa, cashew and palm oil, rice, etc.

#### **As regards to cashew,**

With a production of 1,500,000 tones, Africa accounts for 60% of world production and 90% of supply.

Thirteen out of 15 ECOWAS countries are cashew producers.

West Africa is the largest exporter of raw cashew nuts. This export is sent to Asia including India and Vietnam for their transformation.

The region's dominant position in supply, coupled with preferential access from the European and US markets, are major advantages that can attract investment in industry in the value chain.

#### **Concerning cocoa,**

West Africa is the world's largest supplier of cocoa with more than 70% of the supply. The products are exported with little industrial value added and suffer the full impact of fluctuating commodity prices.

Regional cooperation is probably an ideal way of dealing with these issues.

In 2017, the ECOWAS Commission organized a regional ministerial meeting to create a framework for regional cooperation on industrial

development in these value chains and adopted two important resolutions of cooperation.

### **On promoting the regional pharmaceutical industry.**

The Commission is working closely with the West African Health Organization (WAHO) and the West African Association of Pharmaceutical Producers to promote the pharmaceutical industry, increase the quantity and quality of regional production.

For this purpose, several actions are in progress including:

- Harmonization of registration procedures,
- The revision of the CET for pharmaceuticals products and intrants,
- A capacity building program for the regional pharmaceutical industries on Good Manufacturing Practices (GMP).

### **On promoting the regional automotive industry,**

The countries of the region are major importers of new and used vehicles. The importance of the size of the regional market requires that a policy be developed to better integrate into this value chain as it is done elsewhere.

The Commission, in cooperation with the African Development Bank has launched a study for the development of regional automotive policy whose work is currently to be completed in the first quarter of 2018.

This policy should allow:

- Harmonization of national policies,
- Strengthening regional cooperation,
- Increased investment in automobile assembly and Production of auto parts
- Strengthen the regional market for local automotive industries

## **ROLE OF ASSOCIATIONS AND APPEAL TO AGI**

In conclusion, you will agree with me that the challenges of regional industrial development are enormous and relate to various problems.

To overcome these challenges, it is necessary to combine the efforts of all actors.

National Industrial associations have a key role to play in the regional process.

Their interaction with states and regional institutions such as ECOWAS should help to strengthen public-private dialogue, better guide policies and help solve problems.

Unfortunately, to date at the regional level, the associations of industrialists still not play this role fully.

I would like to express the wish that this challenge be included in the priorities of the new AGI Board in cooperation with the other national associations.

I will conclude my remarks by wishing the AGI President Dr. YAW ADU much success in his new mission. I extend these wishes and to all the national council of the AGI.

Long live to Ghana, long live to ECOWAS community and all member states.

I thank you for your kind attention