

# AfCFTA



NOVEMBER, 2023

AFRICAN CONTINENTAL FREE TRADE AREA **MAGAZINE**



**H.E.  
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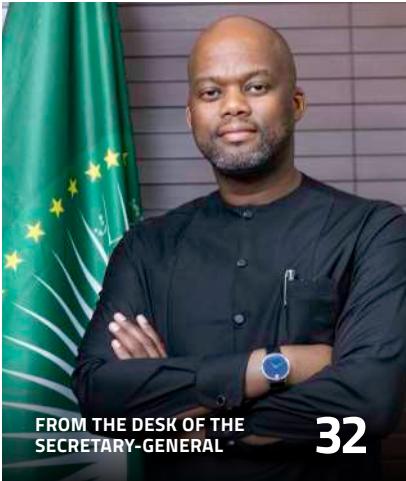
MAXIMISING  
THE MOMENT

**CREATING ONE  
AFRICAN MARKET**



# ACCELERATION OF **AfCFTA** IMPLEMENTATION





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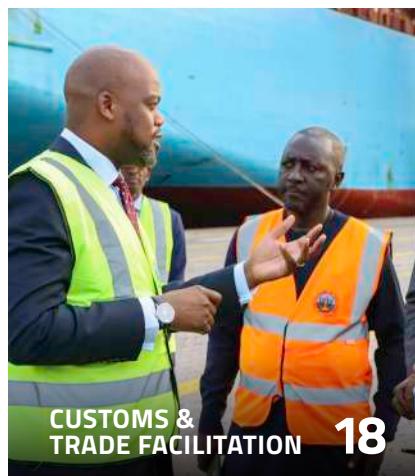
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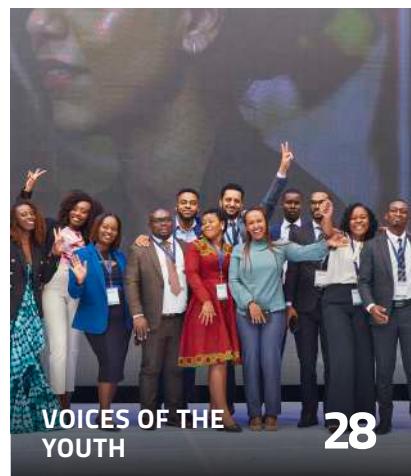
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**Dear AfCFTA Secretariat community,**

Welcome to our highly anticipated magazine! We are thrilled to have you on board as we embark on this exciting journey of connecting, informing, and inspiring one another in our journey to "Creating one African market".

With each edition, our goal is to provide you with meaningful content that will keep you updated, empowered, and motivated to contribute further in achieving the "Africa We Want".

### **Why a Magazine?**

In today's fast-paced digital age, access to information has become easy and expedient which may sometimes feel overwhelming given the amount of information available. Appreciating the vast array of knowledge and updates regarding the AfCFTA, we sought to find a way to filter the most important updates on a regular basis, that we could share with

you, our cherished stakeholders in a form of a newsletter. Our newsletter will serve as a one stop shop, offering a carefully crafted selection of topics that can drive the narrative, foster participation and accelerate implementation of the AfCFTA Agreement.

### **1. Insightful Articles:**

Our contributors will share thought-provoking articles covering a wide range of topics surrounding the AfCFTA and the economic development of the continent.

### **2. Exclusive Interviews:**

We will share captivating interviews with political leaders, key private sector leaders, experts and game changers in Africa's trade space. The intent is to help you gain valuable insights from their knowledge and experiences, while appreciating various journeys in attaining a single African market and hopefully, inspire each and every one of us to participate in the implementation AfCFTA.

### **3. Milestones to celebrate:**

As we join forces to transform the economic narrative of the continent through the AfCFTA, it is important to acknowledge the significant milestones being achieved by the AfCFTA Secretariat staff members. In each edition, we will shine a spotlight and celebrate achievements of our very

own colleagues contributing to the successful activation of the AfCFTA.

#### **4. Events and Opportunities:**

Stay updated with upcoming events, workshops, webinars, as well as career opportunities, requests for bidding and other exciting announcements from the AfCFTA. Specific programmes within the Secretariat to be featured such as Guided Trade, Customs

#### **5. Guided Trade Initiative (GTI):**

This newsletter will be sharing updates on the annual journey to the Guided Trade Initiative (GTI) and beyond, in order to highlight the progress made in boosting intra-Africa trade with the active engagement of the Secretariat.

#### **6. The voice of Women and Youth:**

The inclusion of women and youth is critical for the successful implementation of the AfCFTA, therefore we will be shedding light on their experiences regarding their activities on the continent when it comes to trade.

#### **7. Embracing us:**

As we know, African countries and its people present strength when it comes to diversity, natural resources, cultures and more. We will discover breathtaking destinations, amazing cultures, historical findings, culinary specialties and inspirational knowledge pieces. We encourage you to share your discoveries or creative works with us. Let's collaborate and showcase the incredible riches and talent within

our continent.

Thank you for joining us on this exciting journey. Our newsletter is more than just a source of information; it will be a platform to celebrate milestones, spark your sense of interest and boost a sense of pride of being an African. We invite you to explore, engage, and be an active participant in shaping the content and direction of our newsletter.

Remember to stay tuned for our upcoming editions, filled with relevant content that will educate and embolden you.

Warm regards,

**Grace Khoza,  
Principal Communications Advisor  
AfCFTA Secretariat**



# Guided Trade Initiative

## BACKGROUND

The AfCFTA Guided Trade Initiative (GTI) was launched on 7th October 2022 as a solution-based approach to kickstarting commercially meaningful trade under the AfCFTA preferences. Following the announcement of 1st January 2021 as the start of trade under the AfCFTA, the Council of Ministers responsible for trade adopted the Ministerial Directive on the Application of Provisional Schedules of Tariffs Concessions in October 2021 which provided a legal basis for the AfCFTA State Parties that had submitted their tariff schedules in accordance with the agreed tariff modalities to trade preferentially amongst themselves.

### The overall objectives of the Initiative were to:

- i. Demonstrate the efficiency of the legal framework of the AfCFTA instruments;
- ii. Obtain feedback on the effectiveness of the legal and institutional national systems in the participating countries;
- iii. Test the readiness of the private sector to participate in trade under the AfCFTA; and
- iv. Identify possible future interventions to increase intra-African trade and maximize the benefits of the AfCFTA.

The GTI takes practical steps towards the facilitation of trade under the AfCFTA through direct engagement with key stakeholders both in the public and private sectors of State Parties.

At the launch of GTI on 7 October 2022, there were 7 participating countries, namely; Cameroon, Egypt, Ghana,

Kenya, Mauritius, Rwanda and Tanzania, with over 100 potential trades under the AfCFTA preferences in goods such as coffee, ceramic tiles, dried fruits, tea and processed meat among others.





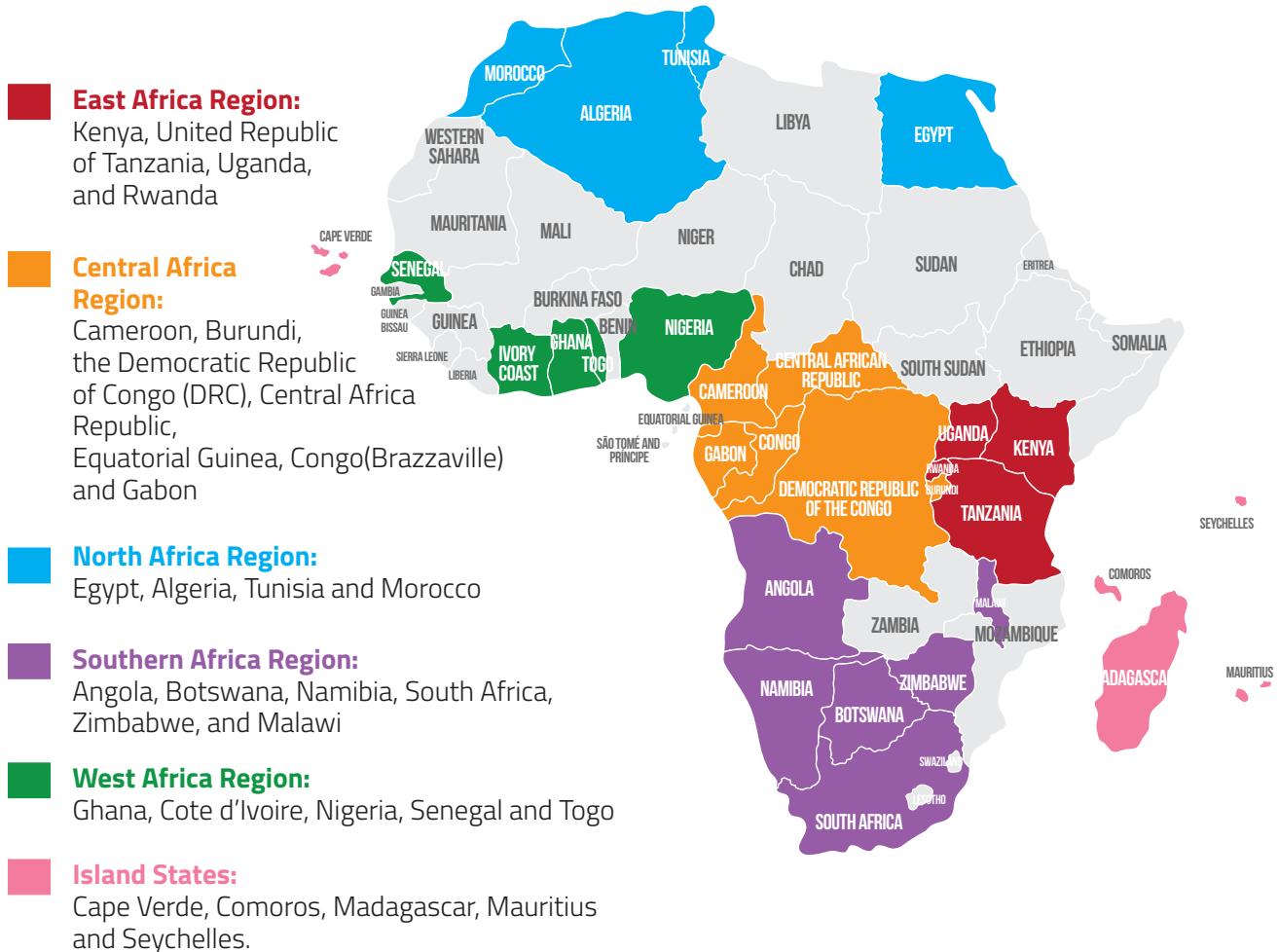
## EXPANSION OF THE GUIDED TRADE INITIATIVE IN 2023

State Parties are encouraged to support the private sector in taking advantage of the GTI in order to boost intra-Africa trade. This year, the GTI is expanding to include the area of Trade in Services. Whereby the Secretariat will be developing and facilitating a parallel initiative on Guided Trade in Services as opposed to just Goods.

In 2023, the AfCFTA Secretariat has developed a detailed programme of Stakeholder engagements, capacity building workshops and meetings of the national Committees on the Guided Trade Initiative to materialise the benefits of the commencement of trade under the AfCFTA, and to introduce the concept of AfCFTA Trading Companies.

# TRADE IN GOODS

In accordance with the 2023 AU Theme of the year "Acceleration of Implementation of the AfCFTA", the scope of the GTI has been expanded in both product and country coverage across the five African regions and Islands States, to the current total of thirty-one (31) State Parties. The State Parties participating the Initiative in 2023, and where the Secretariat has ongoing stakeholder engagements include:



These engagements have already outlined a number of products for trade under the Initiative in 2023, that include; meat and meat Products, poultry and poultry products, beverages, textiles and clothing, processed food products, juices, tomato sauce, peanut butter, and mayonnaise, Mushrooms flowers, bio pesticides, powdered milk, fish oil, frozen tuna, mineral and chemical fertilizers, essential oils, packaged moringa, fortified maize porridge, honey, nut butters, fruit jams, tea, coffee, milling (flour and maize meal), plastic based products, spaghetti, pasta, and fabric(material).

Furthermore, the most recent significant developments within the Initiative are The issuance of the first AfCFTA Certificate of Origin (CoO) by the United Republic of Tanzania for a shipment of coffee to Algeria

Tunisia's AfCFTA Certificates of Origin for chemical products and resine exported to Cameroon. There are State Parties are at an advantaged to start trading such as Algeria, Nigeria and South Africa.

## TRADE IN SERVICES

The overall objective of including trade in services to the GTI in the priority sectors (Business; Communication; Financial; Transport; and Tourism Services) is to fast-track the implementation of commitments in the adopted schedules of specific commitments and facilitate the start of trading in Services under the AfCFTA Regime.

Trade in services in GTI will entail:

- i. Facilitating early Implementation. This means ensuring that the commitments outlined in the adopted schedules of specific commitments are swiftly and effectively implemented by AfCFTA State Parties, enabling the timely commencement of trade in services under the AfCFTA.
- ii. Promoting Investment. The aim is to attract foreign and domestic investments in service sectors by showing new market openings and working with the State Parties in developing an environment conducive for investment, under the transparency market access commitments under the schedules.

- iii. Capacity Building. In carrying out this activity, the intention is to support and enhance the capacity of both State Parties and the Private sector to implement the commitments and leverage the opportunities under the AfCFTA Trade regime.
- iv. Stakeholder Engagement. This initiative's goal is to facilitate dialogues and collaborations between Governments, the private sector, and other stakeholders to ensure that the interests and concerns of all relevant parties are considered in the implementation of services trade commitments.
- v. Monitoring and Evaluation. This process is meant to establish mechanisms for ongoing monitoring and evaluation of progress in implementing the AfCFTA trade in services, to ensure the actualisation of the objectives under the Agreement and identification of future areas of convergence.

To this effect, there has been various activities towards achieving the above such as:

**Plenary meetings** of the Committee on Guided Trade in Services to discuss the way forward and general activities of the initiative.

**State Party and Secretariat meetings** in order to provide targeted and specific technical and administrative support to assist State Parties and their stakeholders.

**Bilateral meetings between State Party (s) and stakeholder (s)** to outline the areas of interest and way forward to start trading.

**A practical guide** to provide a simplified guideline to service providers and the private-sector stakeholder communities in getting a deeper and more practical understanding of the AfCFTA trade in services negotiations and the Protocol on Trade in Services.

**Summary of schedules** in order to summarize the commitments in a simplified and practical way to assist in reading the schedules, by outlining the market access openings and requirements.

**Tracking of services data.** The Secretariat developed a country form to assist State Parties in organizing and capturing data and interests from their stakeholders to provide a basis for assessing whether the AfCFTA Protocol on Trade in Services is being implemented successfully.

**Sector and market analysis.** The services sector and market analysis look at the economic, trade, and market elements of the service sectors of the State Parties in the GTIS.

**Organizing Trade in services forums and programmes on sector-specific issues.** These forums will assist in identifying the obstacles to the implementation of continental policies, as well as effectively monitor and evaluate the execution of such policies.

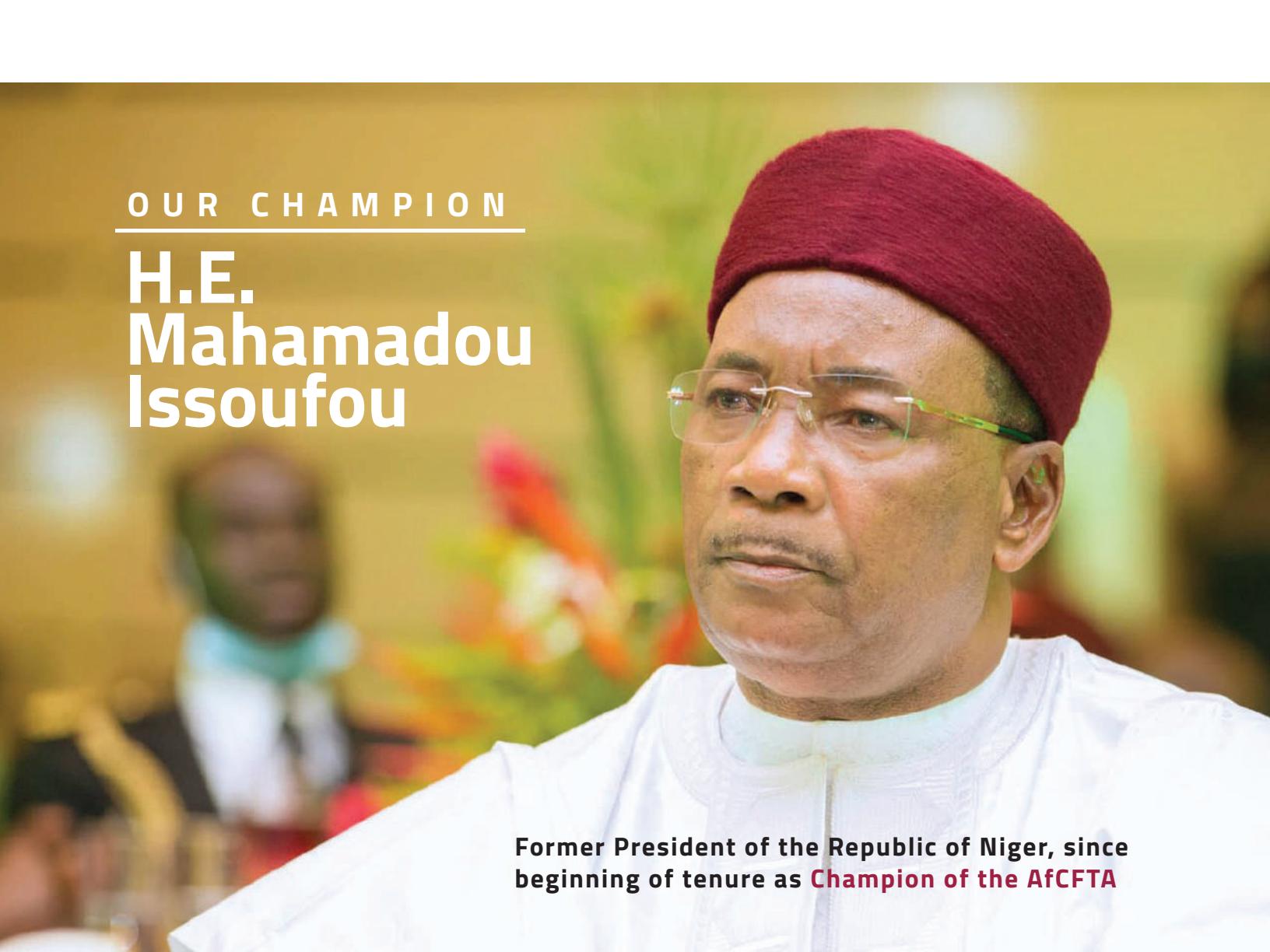
## WAY FORWARD

As a key instrument to drive trade on the continent and therefore give impetus to regional integration, the Guided Trade Initiative has outlined key action points for the effective

- implementation of the AfCFTA. This namely includes:
  - The need for the establishment of a centralised AfCFTA National Implementation or Coordination office
  - The importance of gazetting the Provisional Schedules of Tariff Concessions according to national law
  - The need for Member States to conclude on the negotiations on Exclusion and Sensitive products (Categories B and C)
  - There is still potential for Africa to expand products traded beyond coffee, tea etc. captured within the initial stage of GTI
  - The establishment of AfCFTA Trading Companies will serve as intermediaries or trade aggregators for SMEs to stimulate and facilitate intra-Africa trade both in volume and diversity of products under the AfCFTA preferences. That would reduce the costs of SMEs in trading across borders.
- Given that the ultimate goal of the AfCFTA Guided Trade Initiative is to materialise trading amongst State Parties in accordance with the Agreement Establishing the AfCFTA, therefore, more countries are encouraged to participate.
- The AfCFTA Guided Trade Initiative indeed serves as a gateway to encourage continued commercially meaningful trade under the AfCFTA, resulting in increased opportunities for SMEs, youth and women in trade and ultimately establishing sustainable and inclusive economic development. An exact date, is yet to be confirmed.

OUR CHAMPION

# H.E. Mahamadou Issoufou



**Former President of the Republic of Niger, since beginning of tenure as Champion of the AfCFTA**

H.E. Mahamadou Issoufou, the then sitting President of the Republic of Niger, was mandated in January 2017, by the 28th Assembly of Heads of State and Government of the African Union Assembly/AU/Dec.623(XXVIII), to champion the process of the Continental Free Trade Area (CFTA).

The purpose of an African Union Champion is to lead initiatives in line with the achievement of goals set by the organization. As the AU aims to achieve

**"The Africa We Want"** mandate, a role such as a Champion is critical to mobilize support and foster participation.

His role entailed to ensure progress in the establishment of the AfCFTA by concluding negotiations and report on measures taken to achieve the aforementioned. Subsequently, H.E. would be tasked to champion the implementation process and regularly report to the Assembly on progress made regarding the AfCFTA.

Under the leadership of H.E. Issoufou Champion of the AfCFTA, on 21 March 2018 in Kigali, Rwanda, 44 Member States signed the Agreement establishing liberalization of trade in goods and services, as well as settlement of disputes.

Furthermore, the AfCFTA Agreement entered into force on 30 May 2019 after the ratification of 24 Member States, of which 22 ratifications was the minimum requirement. The above, made the AfCFTA Agreement, the fastest negotiated Agreement in the History of the African Union.

On 7 July 2019, the AfCFTA was officially launched during the 12th Extraordinary Summit of the African Union, marking the operationalization of the Agreement.

In recognition of his pivotal role and exemplary leadership in the establishment of the AfCFTA and its implementation as the Champion, on 16th July 2021, the AfCFTA Secretariat, the African Union, UNECA and Afreximbank unveiled a statue in honour of H.E. Mahamadou Issoufou in Accra, Ghana.



# AfCFTA Updates

## TRADE IN GOODS

The AfCFTA Protocol on Trade in Goods within the AfCFTA Agreement represents a key driver in boosting intra-Africa trade by making provisions to ensure that there are transparent, clear, and predictable criteria for determining eligibility for preferential treatment in the AfCFTA. The principal objective of this Protocol is to create a liberalised market and facilitate market access for trade in goods in accordance with Article 3 of the Agreement.

Through the AfCFTA Protocol on Trade in Goods, a procedural guide and rules and modalities for trade in goods are established. Its provisions covering 9 annexes: Schedules of Tariff Concessions, Rules of Origin, Customs Cooperation, Trade Facilitation, Non-Tariff Barriers, Technical Barriers to Trade, Sanitary and Phytosanitary Standards, Transit and Transport Facilitation and Trade Remedies, constitute crucial subjects which have implications for actual trade in goods.

Ultimately, the Protocol on Trade in Goods is set to promote industrialisation on the continent, since it will require the establishment of cross-border value chains in various sectors, thereby promoting a larger and more sophisticated range of investments. By promoting industrialisation, enhanced intra-African trade in goods will also promote employment, social advancement, consumer choice. In time, therefore, enhanced intra-African trade would promote social and economic development across Africa for a robust single African market.

## RULES OF ORIGIN

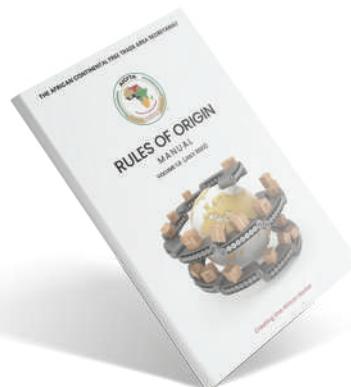
The Year 2022 marked the endorsement of the additional provisions and definitions on Annex 2 by 35th Ordinary Session of the Assembly of the Union held in February and the adoption of the Rules of Origin Manual by the 18th Extraordinary Session of the Assembly of the Union held in Niamey in November.

The 11th Meeting of the Council of Ministers concluded the Ministerial regulations on the treatment of products from Special economic arrangements or zones which has been adopted by the 36th Ordinary Session of the Assembly of the Union held in February 2023.

The outcomes of various meetings enabled the conclusion of some tariff lines on textiles sector and on automotive sector and the completion of 92,3% agreed Rules of origin.

In order to facilitate the implementation of the AfCFTA Rules of Origin, the Rules of Origin Policy Division of the AfCFTA Secretariat aims to initiate the process of the adoption of the consolidated Annex 2, taking in consideration the additional provisions and definitions, new provisions handled by the Rules of Origin Manual and the Ministerial regulations on SEZ.

In addition, the rules of Origin Policy Division will to ensure the alignment of appendix IV on rules of Origin to HS 2022 as most of the State Parties and Regional Economic communities have migrated to the new version of the HS Nomenclature.



## NON-TARIFF MEASURES

The AfCFTA through the Non-Tariff Measure (NTM) Division has been conducting a series of capacity-building workshops on NTMs with the view to enhance Member States' capacities and raise awareness of the AfCFTA Non-Tariff Barriers (NTBs) Online Reporting tool. The tool enables Member States to report NTBs encountered when trading on the continent. In this regard, Regional capacity-building workshops were also held for the ECCAS and CEMAC regions in collaboration with the concerned Regional Economic Communities.

The AfCFTA Secretariat is also working on the African Continental Technical Regulatory Framework with the Pan African Quality Infrastructure (PAQI). Harmonization of standards, technical regulations, SPS Measures and conformity assessment procedures in the AfCFTA are some of the prioritized areas of work.



## COMPETITION

The Assembly of Heads of State and Government have adopted the AfCFTA Protocol on Competition Policy at their 36th Summit held in Addis -Ababa (Ethiopia) on 18th February 2023.

The AfCFTA Protocol on Competition Policy will complement efforts at national and regional level to make markets function more efficiently, promote innovation, industrialization, competitiveness and level the playing field for business.

The AfCFTA competition Protocol will also contribute to boosting intra-Africa trade by removing obstacles to cross-border trade due to anticompetitive business practices (cartels, abuse of dominant position, anticompetitive market concentration, etc.) and ensure that gains expected by businesses and consumers from the liberalization of trade in goods and services are not negated.

In this context, the AfCFTA Secretariat, in cooperation with the Regional Economic Communities Competition Authorities, is will be conducting a series of capacity building workshops on competition policy and law with the view to enhancing members capacities, raising awareness of the Competition Protocol and encouraging ratification by AfCFTA State Parties.





## TRADE IN SERVICES

The AfCFTA Protocol on Trade in Services within the AfCFTA framework is of paramount significance, playing a pivotal role in achieving the overarching goals of facilitating intra-African trade in the Agreement. By enabling the seamless flow of services across borders, it has the potential to drive economic growth on the continent, generating new job opportunities, unprecedented levels of market access, and paving the way for innovation and efficiency improvements.

Crucially, the AfCFTA Protocol on Trade in Services is a catalyst for levelling the playing field, offering businesses of all sizes, from startups to established enterprises, an equitable platform to participate in the continental market.

The AfCFTA Agreement and the Protocol on Trade in Services seek to create a Single African Services Market through the progressive liberalization of five priority sectors in the first round of negotiations. These sectors have been identified as key drivers of economic growth and integration within the African continent. The Priority sectors are Business, Communication, Financial, Transport and Tourism services.

As at yet, trade in services has achieved notable milestones which include:

- The adoption of twenty-two State Party schedules during the 18th Extraordinary Summit of the AU Assembly of Heads of State and Government in November 2022 in Niamey, Niger.
- Forming the legal foundation for the establishment of a parallel initiative on Guided Trade Initiative on Services (GTIS), to fast-track the start of trading under the AfCFTA.
- The development of a practical guide on the Protocol on Trade in Services to provide service providers and private-sector stakeholders with comprehensive and user-friendly insights into the AfCFTA trade in services negotiations and the Protocol on Trade in Services.
- Significant progress in the development of regulatory frameworks for key sectors, including financial, communication, and transport services.
- Through capacity building efforts essential elements of regulatory frameworks for financial and communication services have been drafted.

## INVESTMENT

The Protocol on Investment was adopted by the Assembly of Heads of State and Government, in February 2023, reflected under Decision Assembly/AU/Dec.854(XXXVI). The Protocol is a binding legal instrument designed to promote, facilitate and protect investors and investments that foster sustainable development at the continental level, and ensure the attainment of the broader objectives of the African Union Agenda 2063 and the United Nations Agenda 2030.

To create awareness on the Protocol on Investment and to engage in discussions on investment for development, several stakeholder meetings have been organised and curated throughout the year across the continent.



## DIGITAL TRADE

The AfCFTA Protocol on Digital Trade provides a framework around which intra-African digital trade is conducted. With the digital revolution becoming a reality more than ever before, it was critical to have a legal parameter regulating the digital sphere in the AfCFTA Agreement. Currently, the negotiations on the Protocol are still ongoing. To date, the Committee on Digital Trade has held three meetings to negotiate the Draft Protocol on Digital Trade. The AfCFTA State and non-State Parties reached a consensus on most provisions of the Draft Protocol on Digital Trade.

The AfCFTA Secretariat organised several Capacity Building Sessions to support the negotiations of the Draft Protocol on Digital Trade based on the specific needs of State and non-State Parties. The Secretariat also supported State Parties during their national consultations on the Draft Protocol on Digital Trade.



## INTELLECTUAL PROPERTY RIGHTS (IPR)

The negotiations on the AfCFTA Protocol on Intellectual Property Rights (IPR) has been concluded and the IPR Protocol was adopted during the 36th Ordinary Session of the African Union Assembly of Heads of State and Government held on 18 – 19 February 2023. The adoption of the IPR Protocol represents a milestone in IPR governance in Africa as it sets the ground for the establishment of a coherent IPR regime in the continent that would support intra-Africa trade.

By promoting innovation, creativity, and competitiveness, Intellectual Property (IP) has become a critical component of modern economies and regional economic integration. The Protocol on IPR will advance the objectives envisioned under the AfCFTA Agreement, that is to facilitate intra-Africa trade, promote inclusive growth and development, industrial development, and enhance the competitiveness of African economies, and ensures the attainment of the broader objectives of the African Union Agenda 2063.

The Protocol is also expected to advance Africa's interests related to IP, to promote the protection of African innovation and creativity as well as to address the legal and institutional fragmentation by promoting a coherent IPR regime in the Continent. It will provide for harmonized approaches to key IP issues of interest for Africa that are not adequately covered under multilateral treaties as well as contribute to a continental value chain development and integration. More specifically, the IPR Protocol will advance Africa's public health and industrial development imperatives and create a conducive environment for business by reducing policy and regulatory costs.

## AUTOMOTIVE SECTOR

The automotive sector in Africa represents a substantial market, with a demand of approximately \$32 billion annually, predominantly satisfied by imports of used vehicles. The intra-Africa trade in this sector is currently less than 1%, indicating a significant opportunity for local production and supply to meet the demand, thereby scaling intra-Africa trade and creating employment opportunities. The growth of Original Equipment Manufacturers (OEMs) and local production accentuates the potential for developing affordable alternative vehicles.

The AfCFTA Secretariat, Afreximbank, and the African Association of Automotive Manufacturers (AAAM) are actively engaging with countries home to automotive manufacturing and assembling plants, and those interested in component manufacturing, to support through the review or development of automotive policies and financial support, with Afreximbank availing a facility of \$1 billion to support the industry.



# KEY INITIATIVES AND ACHIEVEMENTS

## Launch of the African Automotive Strategy

In February 2023, the Council of Ministers of Trade in Botswana launched the African Automotive Strategy. This strategy is a pivotal initiative aimed at fostering the development and growth of the automotive sector within Africa, focusing on enhancing local production, reducing reliance on imports, and promoting intra-Africa trade in the automotive sector.

## Establishment of the Automotive Task Force

Subsequent to the launch of the African Automotive Strategy, the Council of Ministers approved the establishment of the AfCFTA Automotive Task Force. This task force is mandated to guide the implementation of the African Automotive Strategy and to make policy proposals to the Council of Ministers. The establishment of this task force is a significant step towards structured and coordinated efforts in realizing the objectives of the African

Automotive Strategy.

## Continental Study on Component Manufacturing Opportunities

A comprehensive continental study has been initiated to explore opportunities in component manufacturing. This study is crucial for identifying potential areas for investment and development in component manufacturing within the continent, which is essential for the growth and sustainability of the automotive sector in Africa.

## 3-year MoU with AAAM

A three-year Memorandum of Understanding (MoU) has been signed with the African



Association of Automotive Manufacturers (AAAM). This MoU is a strategic partnership aimed at fostering collaboration and joint initiatives between the AfCFTA Secretariat and AAAM to promote the development of the automotive sector in Africa.

## Ministerial Retreat and Progress on Rules of Origin

The AfCFTA Secretariat organized a Ministerial Retreat in May 2023, hosted by the Government of Kenya, to deliberate on Rules of Origin to enable value chain development in support of industrialization. This retreat provided a platform for State Parties and Industry to align their strategies and policies to support the development of the automotive sector. The Council of Ministers made significant progress by adopting the automotive chapter rule (87) and 2 tariff lines (8702 and 8709).

# WAY FORWARD

Finalization and Launch of the Continental Study on Component Manufacturing which will be launched at IATF 2023.

# CUSTOMS AND TRADE FACILITATION

Customs and Trade Facilitation stand as a cornerstone in the mission to bolster intra-Africa trade. Recognizing the immense potential of a unified trade system, the Heads of States and Governments have acknowledged and endorsed the significance of streamlining and enhancing trade processes. This acknowledgement is embodied in the establishment of the Customs and Trade Facilitation Unit within the AfCFTA Secretariat. By focusing on the entire ecosystem of trade facilitation challenges, from the point of entry of goods to their final destination, the AfCFTA Secretariat, through the Customs and Trade Facilitation Unit aims to create a seamless trade environment. This approach not only ensures the efficient movement of goods across borders but also underpins the broader vision of economic integration, prosperity, and sustainable development within the continent. The corridor strategy encapsulates this vision, emphasizing a holistic approach that transcends individual country boundaries and addresses trade challenges along entire corridors involving multiple trading nations in Africa.



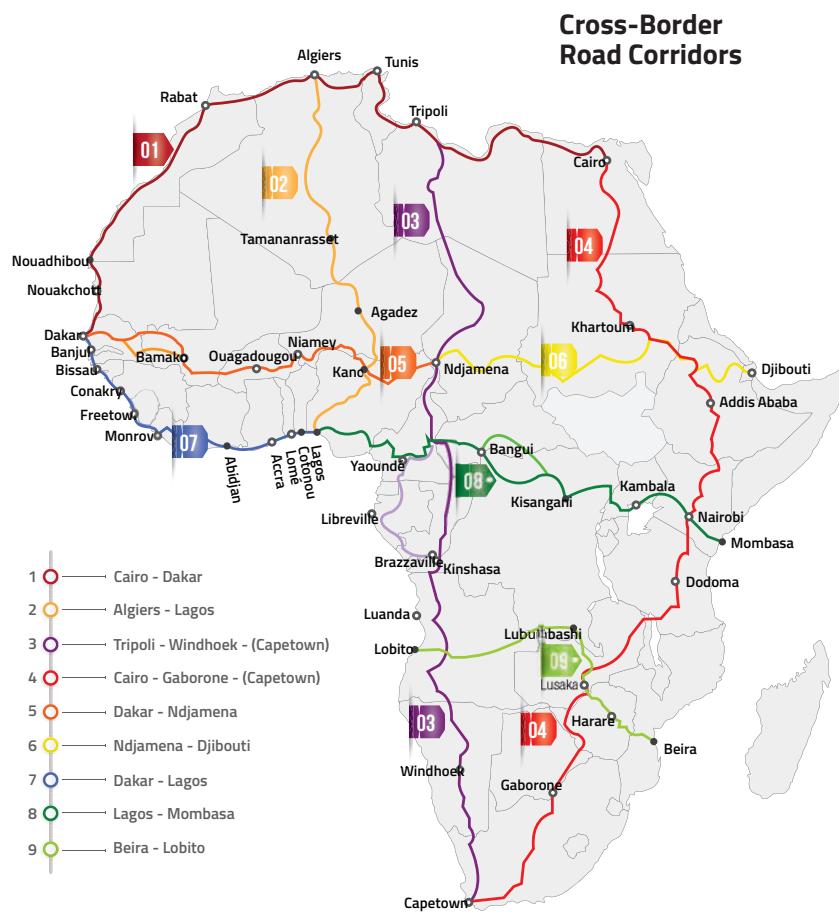
## KEY ACHIEVEMENTS AND INITIATIVES

### Corridor Assessments:

Adopted a corridor approach to tackle trade facilitation challenges, ensuring a holistic view of the entire ecosystem of trade facilitation.

Assessed five major trade corridors, starting with the Abidjan-Lagos corridor, crossing four borders and engaging with governance institu

Developed a roadmap for interventions based on identified challenges, categorized into infrastructure, systems, and coordination.



### **Database of Customs Focal Points:**

Established a comprehensive database of customs focal points to facilitate communication and problem-solving.

Key Collaborations:

Engaged in collaborations with JICA, the World Customs Organization, and the United States to enhance trade facilitation.

Worked closely with the World Customs Organization on various projects, including the CFTA Tariff book and the migration to HS 2022.

### **e-Tariff book:**

Developed the CFTA Tariff book, a digital product that provides tariffs of the 42 member states, aiding in operationalizing trade facilitation.



### **Single Bond Guarantee:**

Working on a single bond guarantee to facilitate the movement of goods in transit between countries, eliminating the need for multiple bonds which significantly increase expenses and delays.

### **Engagement with Women at Border:**

Engaged with women crossing borders, real traders, and truck drivers to get a firsthand assessment of the challenges and requirements.

### **Trade Facilitation Conference:**

Organized the CFTA Trade Facilitation Conference on Transport and Logistics, identifying key issues and solutions in the realm of trade facilitation.

## **WAY FORWARD**

- The focus moving forward is to ensure that the initiatives and strategies implemented are sustainable and effective in facilitating trade. This includes:
  - Continuously engaging with member states to remind them of their commitments, assess their state of preparedness and address challenges.
  - Expanding and refining the corridor strategy to include more regions and address specific challenges unique to each corridor.
  - Enhancing collaborations with global organizations such as JICA and the US Chamber of Commerce
  - Addressing specific challenges such as energy provision at border posts and leveraging technology to streamline trade processes, ensuring seamless communication between different customs systems.
  - Ensuring that lessons learned from one corridor are replicated in others, avoiding the need to "reinvent the wheel".
  - Continuing the engagement with stakeholders, especially women and traders at the borders, to ensure that their needs and challenges are addressed.

## PRIVATE SECTOR ENGAGEMENT

The establishment of a single integrated African Market is a significant step forward for the African Private Sector and is predominantly composed of Small and Medium Sized companies. With 85-95 million SMEs, they are pivotal to the African economy, contributing to about 80% of private sector employment. Their growth is vital for inclusive growth on the continent and is crucial for the realisation of the African Continental Free Trade Area's objectives. The African private sector has historically encountered challenges such as high trade barriers, logistics costs, and multiple regulatory frameworks. The implementation of the Agreement by Member States has ignited hope among the business community, aiming to unlock the continent's full economic potential.

## KEY ACHIEVEMENTS AND ONGOING INITIATIVES

### The AfCFTA Business Forum:

The Inaugural AfCFTA Business Forum 2023 was successfully held in April in Cape Town, South Africa, under the patronage of the Government of South Africa. The event brought together more than 1000 delegates from over 63 countries from the African Continent, and abroad ranging from Heads of State, Senior government officials, CEOs of Financial development Institutions, Champions of industries, SMEs, Regional and continental business councils and Business Support organizations, Investment Promotion Agencies, Academia, women and youth entrepreneurs as well as investors. The conference focused on key priority sectors such as Agriculture, Transport and Logistics, Pharmaceuticals, Automotive and Digital economy & Payments, among others. The next edition of the AfCFTA Business Forum will be held in May, 24th – 26th 2024, under the name: "Biashara Afrika", at a venue to be communicated during the course of the year.



## **Partnership with the World Economic Forum**

**(WEF):** The AfCFTA Secretariat has collaborated with the WEF to engage the international business community through the Forum Friends for the AfCFTA initiative. This initiative has led to focused interventions, from setting agendas to developing a Private Sector Action Plan. Both institutions are working closely to facilitate the execution of projects using tools like the AfCFTA Private Sector Engagement Plan and the Pan African Payment and Settlement System.

**ITC :** The partnership with the International Trade Center (ITC) focuses on building MSMEs' competitiveness. Together, they have co-convened stakeholders' events, launched the AfCFTA Glossary, and undertaken a mapping of business support organizations across Africa. Additionally, ITC has delivered training programs like "How to Export under the AfCFTA" benefiting numerous African entrepreneurs.

**US-Africa Business Centre:** Collaboration with the US Chamber of Commerce through the US-Africa Business Centre aims to expand trade and investment between Africa and the US under the AfCFTA. This partnership seeks to educate US companies about the AfCFTA and its potential to reshape trade and investment in Africa.



**AfroChampions:** The AfCFTA Secretariat has partnered with the AfroChampions Organization to promote regional integration through initiatives like the AfCFTA Caravan Initiative and the AfCFTA Hub. The hub serves as a unified electronic gateway connecting various platforms into one continental digital ecosystem, streamlining processes for SMEs.

**Equity Bank and UBA:** Partnerships with Equity Bank and UBA have been established to support SMEs. These collaborations aim to ensure effective private sector engagement in AfCFTA and influence policy across governments and civil society.

**BSO Platform:** The establishment of a Business Support Organisation platform initiative is designed to inform the implementation of the Secretariat Private Sector Engagement Strategy, especially concerning SMEs and businesses led by women and youth. The AfCFTA BSO Platform aims to be a tool leveraged by Africa's existing Business Support Organisations for direct engagement on the AfCFTA.



## WAY FORWARD

- The AfCFTA Secretariat plans to establish the AfCFTA SME Support Programme, aiming to mobilize up to \$2 billion initially. This program will provide trade finance solutions and capacity-building assistance to SMEs and financial institutions lending to SMEs. The program will focus on increasing access to finance for SMEs, capability building, and establishing a 1-stop shop for SME support, including a continent-wide digital marketplace.
  
- The Business Support Organisation platform initiative will be established to guide the delivery of the AfCFTA Secretariat Private Sector Engagement Strategy.
  
- The AfCFTA BSO Platform will be leveraged to improve connections with organizations supporting the AfCFTA's implementation.
  
- There will be a strengthened focus on sensitization, awareness-raising, and capacity-building pillars of the Secretariat Private Sector Engagement Strategy.
  
- Efforts will be made to facilitate the deployment of impactful projects by both the African and international private sectors in support of AfCFTA implementation.



## AGRIC SECTOR ENGAGEMENT

Africa, with its rich history of producing and exporting raw materials and commodities, faces a significant trade deficit, with food products accounting for a substantial portion. This reliance on imports not only exposes the continent to external shocks but also results in the potential loss of millions of jobs. The Mastercard Foundation's commitment to enhancing local production and trade can be a transformative force, driving job creation, economic growth, and poverty reduction, especially among vulnerable communities.

## KEY INITIATIVES AND ACHIEVEMENTS

**Cocoa Value Chains:** The AfCFTA has been instrumental in supporting the Government of Ghana in the development of cocoa value chains. This includes fostering technological support and financing for cocoa processing to meet regional market demands under the AfCFTA implementation. Collaborative meetings between the Government of Ghana, Cocobod, and the Afreximbank have been facilitated to ensure the successful implementation of an \$86.7m credit facility for the Cocoa Processing Company of Ghana.

### **Progress on Development of Agricultural Value Chains:**

The Mastercard Foundation's support for the establishment of a Private Sector Unit (PSU) within the AfCFTA Secretariat has been pivotal. This unit aims to scale production and trade in five prioritised agricultural value chains, including grains, oilseeds, fish, meat, and selected cash crops.

**Common Africa Agro-Parks Programme:** The Common Africa Agro-Parks Programme stands as a beacon of hope for Africa's agricultural renaissance, aiming to harness the continent's vast production potential while rectifying its prevailing trade imbalances. Recognizing the critical importance of local production, this initiative seeks to diminish Africa's dependence on food imports, thereby shielding its economies from external shocks and rejuvenating millions of latent job opportunities. At the heart of this programme lies a commitment to uplift the continent's most vulnerable groups, including women, youth, and MSMEs, ensuring they play a pivotal role in shaping Africa's agricultural future. To realize this vision, the programme collaborates with a consortium of partners and institutions. Notably, the AfCFTA Secretariat plays a central role, with the establishment of the Private Sector Unit (PSU) to drive initiatives in scaling production and trade in priority agricultural value chains. Additionally, the collaboration with the Government of Ghana, Cocobod, and the Afreximbank exemplifies the kind of strategic partnerships that are being forged to ensure the programme's success. Furthermore, international organizations like the Food and Agriculture Organization of the United Nations (FAO) have shown their support, emphasizing the global significance and potential impact of this initiative.

**Memorandum of Understanding (MoU) between the Ghana Cocoa Board and Buhler Group:** This MOU, led by the Agricultural sector unit of the Secretariat focuses on cooperation in processing technology enhancement and investments. Similar

MOUs were also established with the Ghana Cocoa Processing Company and the Abaso Cocoa Processing Company.

### **Development of a Regulatory Framework for Fisheries/Blue Economy in the AfCFTA Market:**

The Agricultural sector unit of the Secretariat launched a consultancy service to assess the state of small-scale fisheries in selected African countries. This initiative aims to develop a regulatory framework for fisheries trade in Africa, advocate for a Fisheries Protocol for Africa under the AfCFTA, and conduct a detailed value-chain analysis of the fishery sector.

### **Multi-billion-dollar Agric Industry Project in Zimbabwe:**

The Unit facilitated an investment mission to Zimbabwe, aiming to build consensus towards sustainable agro-industry development. This collaboration is expected to significantly reduce grain losses in Zimbabwe, positioning the country as a net exporter of grains in the near future.

## **WAY FORWARD**

The journey ahead is filled with opportunities and challenges. The Foundation's focus will be on continuing its support for the AfCFTA Secretariat, mobilizing partnerships and resources, and furthering initiatives that bolster intra-African trade. This includes supporting negotiations for the establishment of strategic national grain reserves, fostering the blue economy sector in regions like Zanzibar and Cape Verde, and addressing the funding needs for projects that can transform intra-African trade. The ultimate goal remains clear: to create a thriving, interconnected African economy that benefits all its citizens.

# NEGOTIATIONS AND PROGRESS OF IMPLEMENTATION



In terms of the current status of signature and ratification of the Agreement establishing the AfCFTA, 54 Signatures and 47 Ratifications characterize the Agreement Establishing the African Continental Free Trade Area (AfCFTA). Eritrea is still expected to sign the Agreement.

The outstanding negotiations regarding the AfCFTA Agreement, there has been notable progress including:

- Increase of number of adopted Provisional Schedules of Tariff Concessions (PSTCs) from 36 to 42, over 47 submitted Offers
- 8 State Parties and Non-State Parties are yet to submit their Provisional Schedule of Tariff Concessions: Djibouti, Eritrea, Ethiopia, Libya, Mozambique, Somalia, Sahrawi Republic, and Sudan.
- State Parties are urged to have their adopted technically verified Tariff Offers gazetted in

accordance with their national laws and in order to enable them to commence trading under the AfCFTA preferences.

- Conclusion of some tariff lines on textiles sector and on automotive sector and the completion of 92,3% agreed Rules of origin
- Conclusion of negotiations of the Protocols on Digital Trade and Women and Youth in Trade to be done by the end of the year 2023
- Launch and operationalisation of the AfCFTA Adjustment in March 2023, with the signing of the Fund Management Agreement in its now established host country: Rwanda. Currently the Fund houses \$1 billion out of the required \$10 billion.  
29 National Strategies have been validated and five (5) AfCFTA National Implementation Committees in Côte d'Ivoire, Ghana, Kenya, Nigeria, and Rwanda are operational.
- The successful hosting of the first in-person AfCFTA Business Forum which enabled a solution-driven platform of engagement with the private sector and other relevant stakeholders. The annual event will be known as "Biashara Afrika" with the next edition to be held from 24 – 25 May 2024.
- The official launch of the Guided Trade Initiative (GTI) on 7 October 2022 seeking to facilitate commercially meaningful trading among State Parties that have shown readiness to trade under the AfCFTA regime. The pilot countries were 7: Cameroon, Egypt, Ghana, Kenya, Mauritius, Rwanda and Tanzania. This year, the Secretariat is expanding the Initiative in its second phase on both products and participating State Parties, with the inclusion of Trade in Services and 29 countries are expected to participate.

# WOMEN AND YOUTH DIVISION

## INTRODUCTION

The African Continental Free Trade Area AfCFTA Secretariat has been at the forefront of driving Africa's economic transformation by fostering regional integration and trade liberalization. The AfCFTA Secretariat's youth and women engagements are an essential pillar of a comprehensive approach to fostering an inclusive and prosperous Africa. The Women, Youth and SME's Division at the AfCFTA Secretariat is constantly collaborating with women and youth in trade organizations as well development partners in organizing programs that ensure marginalized groups are active participants in the African trade integration process through the AfCFTA Protocol on Women and Youth in Trade. Recognizing the immense potential of Africa's youthful population, the Secretariat has implemented various initiatives and activities under the Youth pillar, aimed at empowering young people and equipping them with the necessary skills and opportunities to actively participate in the AfCFTA framework. This article explores some of their ground-breaking activities and their impact on Africa's youth.

## KEY INITIATIVES

### **AfCFTA Women and Youth in Trade Consultations:**

The AfCFTA Women and Youth in Trade Consultations initiative served as a platform for meaningful engagement, enabling African youth to voice their concerns, aspirations, and suggestions regarding the development of the AfCFTA Protocol on Women and Youth in Trade . Through regional workshops, and online surveys, the consultations have facilitated an inclusive dialogue that captures the diverse perspectives of young Africans in Trade from various cultural and socio-economic backgrounds.

**AfCFTA Youth Symposium:** From August 21 to 23, 2023, the AfCFTA Secretariat in partnership with the Zambian Government hosted the Inaugural AfCFTA Youth Symposium themed "Igniting the Future for Youth in Trade". The event drew over 1,000 participants, both in-person and virtually, including dignitaries from African Union Member States, Ministers of Youth, and Youth Members of Parliament. The symposium served as a melting pot of ideas, with youth entrepreneurs, policymakers, and financial institutions converging to discuss the future of youth in trade, aiming to gather actionable recommendations for the AfCFTA Protocol on Women and Youth in Trade. Highlights included a showcase of 'made in Africa' products by young entrepreneurs, eight insightful panels on topics ranging from the role of the AfCFTA in promoting peace to the nexus between the creative industry and the AfCFTA, and the dynamic Africa Youth Trade Debate





Challenge where universities across Africa debated the pivotal AfCFTA Women and Youth Protocol. The first ever Youth Townhall Session with the AfCFTA Secretary-General also took place, where he shared his vision for youth under the AfCFTA. The symposium championed youth voices in shaping policies, facilitated knowledge sharing, led to youth-driven policy recommendations, provided networking opportunities, and equipped the youth with skills and knowledge about the AfCFTA Agreement and its protocols. The event culminated in the establishment of the Youth Taskforce Committee, advocating for youth perspectives in the AfCFTA policy-making processes, signaling that the youth are not just the future but the present, ready to shape the trajectory of trade in Africa.



**AfCFTA Women Conference:** The AfCFTA Conference on Women and Youth, held from 12 to 14 September 2022 in Dar es Salaam, Tanzania, was a monumental event that emphasized the integral roles women and youth play in the African trade landscape. Organized by the AfCFTA Secretariat in partnership with the Tanzanian government and championed by H.E. Samia Suluhu Hassan, the President of Tanzania, the conference attracted over 500 participants, both in-person and virtually. This gathering saw the presence of esteemed dignitaries from various African Union Member States, including presidents, vice-presidents, ministers, and other high-ranking officials. Additionally, the conference was enriched by the participation of women and youth entrepreneurs, representatives from financial institutions, policymakers, and development partners. Themed "Women and Youth: The Engine of AfCFTA Trade in Africa," the event served as a dynamic platform for in-depth discussions on the perspectives of women and youth in trade. The primary aim was to formulate policy proposals for

the draft Protocol on Women and Youth in Trade and to devise actionable solutions that would empower these demographics to harness the opportunities presented by the AfCFTA. The conference's structure included insightful panel discussions on topics such as leadership, financial inclusion, the creative industry, digital trade solutions, informal cross-border trade, and industrial linkages. Concurrently, exhibitions featuring around 100 exhibitors showcased 'made in Africa' products, emphasizing the entrepreneurial spirit of African women and youth. The crowning achievement of this conference was the adoption of the Dar es Salaam Declaration for Action on Women and Youth in Trade on 14 September 2022. This declaration underscores the strategic interventions needed to bolster the capacities of women and youth in trade, offering a roadmap for the negotiations of the Protocol on Women and Youth in Trade and suggesting areas where AfCFTA State Parties and partners can make impactful contributions.

## WAY FORWARD

**Develop a AfCFTA Youth-led task force Committee :** The AfCFTA plans to establish a youth-led task force or committee that will be responsible for overseeing the implementation of the AfCFTA Youth Symposium. This task force should consist of young people from various countries within Africa who have a strong understanding of trade and economic issues.

There will be increased youth representation in decision-making bodies related to trade and economic development within participating countries. This could include creating quotas or specific seats for young people on national and regional trade committees, ensuring their voices are heard in policy-making processes.

The AfCFTA Secretariat Women, Youth and SME's Division will develop youth in trade -focused initiatives and programs dedicated programs and initiatives that cater to the needs of young people in the context of the

AfCFTA and the Protocol on Women and Youth in Trade. This could involve entrepreneurship training programs, access to finance schemes, or mentorship opportunities specifically targeted at young entrepreneurs and business owners.

The AfCFTA Secretariat Women, Youth and SME's Division will conduct regular progress reviews and evaluations .Regularly review and evaluate the progress made in implementing the youth recommendations. This will help identify areas of success, challenges, and areas needing improvement. The findings from these evaluations should be used to inform future actions and adjustments to strategies.

The AfCFTA will make continuous engagement with youth to maintain ongoing engagement with young people in trade throughout the implementation process. This can be done through regular consultations, surveys, and workshops to ensure that their voices and perspectives are considered and incorporated into decision-making processes of the implementation of the AfCFTA Protocol on Women and Youth in Trade

**Foster partnerships with youth-led organizations.** The AfCFTA Women , Youth and SME'S Division will seek collaborations and partnerships with youth-led organizations, NGOs, and youth-focused entities to leverage their expertise, resources, and networks. This will help mobilize additional support and ensure a multi-stakeholder approach to the implementation of youth recommendations .

**Promote youth awareness and understanding of the AfCFTA .** The AfCFTA will develop targeted awareness campaigns to educate young people about the opportunities and benefits of the AfCFTA. This can include workshops, seminars, and outreach programs to raise awareness and enhance understanding of the trade agreement and its potential impact on youth employment and entrepreneurship. By implementing these action items and way forward points, stakeholders can effectively address the youth recommendations and empower young people to actively participate in the AfCFTA's success.



## Voices of the Youth

"The AfCFTA can bring several opportunities to digital consultancy in Africa such as increasing the client base for digital consultants as businesses from different African countries seek digital services, a one Africa market. Being early adopters of AfCFTA and understanding its implications can provide digital consultants with a competitive advantage in the market."



**Sami Aissaoui**

Digital Media Analyst,  
Algeria

"The AfCFTA is an important achievement and development for the continent because it shapes the real African private sector and provide the space for entrepreneurs to trade within African countries with less barriers. However, as a young African entrepreneur, I expect the AfCFTA measures that are being implemented to consider the main continental market access barriers and entry for SMEs in order to achieve more inter country trade which have been limited."



**Helder Afonso**

Angola

"By empowering Africa's youth to take ownership of AfCFTA's execution, we not only nurture a new generation of leaders but also foster a sense of ownership and pride in the economic prosperity of the continent. This engagement holds the promise of accelerating job creation, fostering entrepreneurship, and driving technological advancement, ultimately unlocking Africa's immense economic potential and positioning it as a formidable player in the global marketplace"



**Neo**

Botswana

"Pertinent conversations tend to happen in silos, and youth contributions are often excluded from concrete policy decisions made by leaders. Therefore, I expect that the AfCFTA will model a different form of decision-making by bringing all generations to the same table. I also expect AfCFTA to continue to be interdisciplinary. I am truly grateful that the creative industries are of equal consideration for implementation."



**Pumla  
Maswanganyi**

South Africa

"Considering that the AfCFTA will create a single market across Africa, I'm looking forward to the elimination of non-tariff barriers affecting intra-trade. As a farmer, this is crucial to my business because it will help improve efficiency in the supply chain while also making it easy to export and Import Agricultural products."



**Patrick Kuyokwa**

Botswana

"I want the AfCFTA to prioritize "Trade in Services" (creative industry) by fully negotiating and implementing the intellectual property right protocol as well as continuously hosting events around youth participation in trade because I met some young people in the last event in Zambia and now, I am preparing to travel to three countries for a filming project and they are the ones facilitating the collaboration. The AfCFTA is a bridge builder for African Youth."



**David Akwara**

Nigeria

"My expectations center around actively engaging the youth by not only sensitizing them about the AfCFTA protocols, how they work, benefits, and opportunities but also shifting power to the youth to Lead | Leverage, and Co-create. As a follow-up, it is critical to continuously have feedback mechanisms in place to ensure the youth share their experiences, challenges, and recommendations on how they can better participate in AfCFTA. In addition, it is critical to create a Youth Sounding Board to further amplify the voices of young people."



**Aisha Ali**

Uganda

"My engagement in processes leading up to, during, and after the promulgation of the African Continental Free Trade Area (AfCFTA) Agreement has been a learning curve of invaluable importance. This has been at the levels of programme development, sensitization of young people as a critical constituency, and facilitating of learning sessions about the Agreement, particularly the prospects it holds for the Continent as the next frontier for global trade, commerce, and industry."



**Moses G.  
Kanyesigye**

**Whatever the difficulties of the undertaking, I am convinced that we can succeed if we want to. But to feel that want we must think of, accept and be conscious of what we have in common - our being African.**

**– H.E. Leopold Sedar Senghor**



## A SYNOPSIS OF THE OPERATIONALISATION OF THE AfCFTA SECRETARIAT

The African Continental Free Trade Area (AfCFTA) Secretariat is an Organ of the African Union (AU). It was established by the Assembly of Heads of State and Government pursuant to the Agreement establishing the African Continental Free Trade Area. Its mandate is to coordinate the implementation of the Agreement by the State Parties.

The Secretariat was operationalised in February 2020 upon the election, by the Heads of State and Governments, of H.E. Wamkele Keabetswe Mene as its first Secretary-General. Initially operating from the African Union Commission in Addis Ababa, the Secretariat moved to its headquarters in Accra, Ghana, immediately after H.E. Nana Addo Dankwa Akufo-Addo, President of the Republic of Ghana, handed over the office premises to H.E. Moussa Faki Mahamat, Chairperson of the African Union Commission, on 17th August 2020.

Since its operationalisation in 2020, the Secretariat set out to anchor its operations in a number of areas during the formative years. These areas are: building institutional capacity and human resources; developing partnerships to support the implementation of the Agreement; concluding the negotiations under phase I as well as the build-in agenda (phase II negotiations); and implementing the Protocols that had been concluded under phase I negotiations.

In the area of institutional capacity and human resources, the Secretariat received financial support through the budget of African Union, for initial recruitment of key personnel as approved by the Policy Organs. In addition, a number of Member States, the African Union Commission and Partners through technical assistance seconded required human resources. Subsequently the Secretariat developed an organizational structure with a staff strength of 296 persons, that was approved by the Assembly in February 2022. Thereafter the Secretariat embarked on recruitment of staff as guided by the Policy Organs.

With these developments, the Secretariat has a current staff strength of 150 persons.

The AfCFTA Agreement with its wide scope and multi-dimensional architecture will always require joint efforts beyond the Secretariat. As such, the building of strategic partnerships is an area that the Secretariat, from the inception, identified as important. In this regard, a number of partnerships have been entered into for financial as well as technical assistance to support the work of the Secretariat as well as that of Member States and the private sector, in the implementation of the Agreement. The partners include continental institutions within Africa; supra-national organisations, Governments of various countries, and financial institutions among others. The common thread with these partners is that they share the development aspirations of our continent, that are embedded in the AfCFTA Agreement.

The partnerships are anchored in MoUs and other instruments such as financing agreements. The essence is to formalise and set frameworks for symbiotic relations, but more importantly achieving AfCFTA-focused initiatives for implementation of the Agreement, support to private sector players, SMEs, Women and Youth and technical assistance to Member States.

Moreover, the AfCFTA is a Flagship project of Agenda 2063 and as such the Secretariat actively works closely with other AU organs and Regional Economic Communities (RECs), for complementarity, in order to achieve the objectives of the AfCFTA Agreement.

With the establishment of the AfCFTA Secretariat as outlined above, and the support of partners, the Secretariat swiftly moved to coordinate the conclusion of phase I and the built-in agenda or phase II negotiations. In this regard, significant progress was made in the negotiations of the Rules of origin, the tariff offers, the commitments in trade in services as well as the Protocols on Investment, Intellectual Property Rights and Competition Policy as identified in the built-in agenda. In fact, the three Protocols were concluded and adopted by the Assembly in November 2022.

In terms of implementation the AfCFTA Secretariat coordinated the Member States to operationalize the relevant institutions, namely the Committees on Trade in Goods and various sub- committees; the Committee on Trade in Services; the Dispute Settlement Body to actualize the Agreement in each area. Key stakeholders, including private sector organisations as well as strategic partners have been actively involved in the process contributing to the roll out of the Agreement.

Implementing a wide-ranging Agreement requires accompanying measures to support its operations. In this respect the Secretariat working with strategic partners has formulated a number of instruments including the Adjustment Fund; the Pan African Payments and Settlement System; the SME fund among others.

The AfCFTA Secretariat is still in its formative years, laying down the foundational blocks of this truly historic Agreement that espouses the development aspirations of the African Continent. When we fully implement it, and we must, we will have contributed, significantly, to lifting the bulk of our continent's population to prosperity.

# From the Desk of the Secretary-General

The African Continental Free Trade the AfCFTA is nothing short of a historic milestone for our Continent. In an era where unity, self-reliance and economic empowerment are not just ideals but necessities, the AfCFTA stands as a shining example of what can be achieved when African countries come together with a shared vision and under a unified political leadership to finally address the lack of intra-trade in the Continent. I am thrilled to have you on board as we embark on this exciting journey of connecting, informing, and inspiring one another in our journey to "Creating one African market".

The AfCFTA, officially began trading on January 1, 2001, aims to create the world's largest single market, fostering economic integration, trade liberalization and increased cooperation across the African continent. As we look back on the achievements of this monumental initiative, the promise of the AfCFTA is rapidly transforming into reality and I am honoured to lead a team of women and men in laying a solid foundation for this incredible milestone for our continent.

At the forefront of one of these remarkable achievements of the AfCFTA is the swift ratification and engagement of a significant number of African Union member states. We are sitting at 54 of the 55 African Union member states having signed the agreement, and 47 have ratified it. This not only underscores the determination of the Continent to unite but also exemplifies the collective desire to break free from the chains of fragmentation and leap into the world stage as a united force.

The AfCFTA ultimate objective is to boost intra-African trade, a critical driver of economic growth and development. By eliminating tariffs on 97% of goods and services and implementing a phased approach to full liberalization, the AfCFTA is making it easier for African businesses to access new markets, expand their reach, and capitalise on the abundant opportunities that lie within our continent. This in turn, will foster entrepreneurship, innovation, and job creation.



It is a fact that this Agreement, holds the potential to bring about transformative change, not only for businesses but also for ordinary citizens. It offers the promise of job opportunities for our burgeoning youth population, who are eager to seize the prospects that the AfCFTA brings to their doorsteps. It also provides the chance of communities to thrive and for families to enjoy increased economic well-being, ultimately contributing to poverty reduction and improved living standards.

As those who came before us envisaged, the AfCFTA is also about self-determination and self-reliance. It empowers African nations to rely on their own resources, talents, and capabilities. By creating an environment that supports industrialization and encourages the export of value-added products, the AfCFTA aims to reduce the Continent's dependence on external markets and foreign aid. This is an assertion of our ability to control our destiny and shape our future. After all a just outcome is what we need for our beloved continent.

However, it is important to acknowledge that the AfCFTA is not without challenges. Issues related to infrastructure, logistics and regulatory harmonization remain to be addressed. We also know that these challenges should be seen as opportunities for innovation and improvement. They are challenges we can overcome by working together, as we have in the past to achieve greatness, these are not mountains but mere hills to be climbed and collectively we are on the right path.

I am honoured to have been given this

opportunity by the Continent's political leadership to play my part as one of the pathfinders for our economic integration and growth, to be part of the solution for the Africa We Want and the Africa we deserve. Striving to achieve this, I have encountered support from women and men of this continent and in the diaspora from all walks of life, who have declared their support towards this goal and have embraced the task that lies ahead with vigor, determination, and a heartfelt passion.

As the head of the AfCFTA Secretariat, I am aware we stand at the crossroads, a moment where we rekindle the flames of those who fought for our freedom. We have witnessed the birth of the African Continental Free Trade the AfCFTA, a testament to our commitment to economic integration. As Nkwame Nkrumah envisioned, "We must unite now or perish". I believe like many others that the AfCFTA offers us the opportunity to foster unity, self-reliance, and economic empowerment across our diverse nations.

In the words of Amilcar Cabral, the esteemed leader of Guinea-Bissau and Cape Verde, "Always bear in mind that the people are not fighting for ideas, for the things in anyone's mind. They are fighting to win material benefits, to live better and in peace, to see their lives better and in peace, to see their lives go forward, to guarantee the future of their children.

The AfCFTA is not just about political independence. It is a pathway to the economic independence we have yearned for. It holds the promise of self-reliance, the chance to trade

freely with our fellow African nations, and the opportunity to unlock the vast potential of our continent.

As we move forward on this historic journey, let us heed the wisdom of another Forebearer of our liberation Thomas Sankara, who said "I can hear it whispered in many languages, in every language. This is a great task! Yes, a great task, but it is essential. Our task is indeed great, but it is essential for the prosperity and dignity of Africa and its people.

In conclusion, let us remain inspired by the words of Nelson Mandela, a symbol of hope and unity, who said "For to be free is not merely to cast off one's chains, but to live in a way that respects and enhances the freedom of others." Our journey towards African unity and economic independence respects and enhances the freedom of every African. Let us embrace this journey with open hearts and determined spirits, for unity and economic self-reliance, we find the strength to fulfill our continent's true

## **Allow me to walk with you as we reflect on the latest milestones thus far...**

1. As the Secretariat marks its 4th Anniversary, the AfCFTA's achievements with regards to institution building and the promotion of intra-Africa Africa trade as well as enhanced global presence has been remarkable.

2. The AfCFTA was established on 21 March 2018, when 44 African countries signed the Agreement Establishing the AfCFTA in Kigali – Rwanda. Today, all but one of the 55 African Union Member States are signatories to the Agreement. The AfCFTA has also evolved and expanded from the minimum required number of 22 ratifications in March 2019, for the Agreement to enter into force, to the current 47 ratifications (Mozambique is expected to deposit its instrument of ratification). The expeditious ratification process by the signatory States is a true reflection of the strong political commitment to continental integration for the greater good of the people of Africa.

## **The AfCFTA Secretariat**

3. The swearing-in of the first Secretary-General on 19th March, 2020 at the African Union Commission Headquarters in Addis Ababa – Ethiopia, marked the AfCFTA Secretariat being operational, replacing the African Union, which served as the interim Secretariat.
4. In spite of the fact that the Secretariat was operationalized amid challenging environment, characterized by the global COVID-19 pandemic, the results achieved in the implementation of the Agreement and the execution of the Work Programme of the AfCFTA Secretariat are a source of satisfaction.

5. The Secretariat, in collaboration with the African Union Commission (AUC) successfully undertook the transfer of functions from the Commission – interim Secretariat – to the permanent AfCFTA Secretariat in Accra – Ghana, including its structural, legal and financial implications.
  6. In record time, we established a fully functional Secretariat with a staff strength of 142 at the end of the December 2022, including consultants and seconded/partner personnel. Significantly, we achieved a 50/50 gender parity, that has as many men as it has women, including in the most senior leadership positions, that has language and representation of all of Africa's regions. Furthermore, 35 percent of the Staff of the Secretariat is under the age of 35.
- Services, Competition Policy, Investment and Intellectual Property Rights (IPR) as well as harmonization of customs procedures and standards to boost trade and investment in the continent.
9. The Protocols on Trade in Goods and Trade in Services as well as the Rules and Procedures for the Settlement of Disputes, which were negotiated under Phase I, entered into force on 30th May, 2019. These are the Protocols that would make the one Africa market function and represent the building blocks for most free trade arrangements necessary for deeper integration, which the Phase II Protocols on Competition Policy, Investment and IPR, and future Protocols aim to achieve.
  10. The Secretariat is committed to facilitate and coordinate the removal of physical and non-physical barriers to trade in order to foster the goal of market integration. When trade flows are faster and more cost effective, business and consumers in the continent benefit as it creates industrial linkages, employment, economic diversification and structural transformation.

## Implementation of the AfCFTA Agreement

7. Significant progress has been made in the implementation of the AfCFTA within a relatively short period. This underscores the political will and a shared desire of our leaders to significantly advance on the historic mission of economic integration and eventually a common market in Africa, with the AfCFTA – being the legal foundational construct – serving an essential first step.

## Trade and Market Integration

8. Under the AfCFTA, African Union Member States have negotiated and adopted Protocols on Trade in Goods, Trade in

11. Member States committed to remove tariffs on 90 percent of all goods traded among themselves in equal annual reductions toward a zero tariff. For Least Developed Countries (LDCs) this reduction is spread over 10 years; for non-LDCs the reduction occurs over five

- years. The remaining 10 percent of goods are further divided to 7 percent representing ‘sensitive products’ which are to be liberalized over a period of 10 and 13 years for non-LDCs and LDCs respectively, while 3 percent of goods are excluded from tariff liberalization altogether.
12. Remarkable progress has been achieved in the negotiations on the key instruments of rules of origin and schedules of tariff concessions on trade in goods required for the practical implementation of the AfCFTA
13. Currently, the Agreement has been reached on 92.3 percent of rules of origin covering 95.5% of intra-Africa trade. This means that we have now defined for each of them what constitutes the minimum African content for a product to be traded among countries of the continent on the basis of preferences. Such a high threshold of consensus guarantees that the vast majority of products can be traded.
14. It is expected that this year, the State Parties will finalize the negotiations on the outstanding rules in order to achieve 100 percent of rules of origin coverage.
15. With respect to tariff offers, to date, 48 Member States have submitted their tariff offers (42 of these have been technically verified and approved by the Council of Ministers), that cover these goods with rules of origin in place.

## Protocol on Trade in Goods

16. With respect to trade in services, five priority sectors in services for the first round of negotiations have been adopted namely; tourism, transport, communication, financial and business. State Parties may, however, liberalise more sectors based on the principles of variable geometry and reciprocity.
17. Significant progress has been made in the submission and verification of the specific commitments. Currently, 48 Member States have submitted their offers, covering the five priority sectors, with 22 provisional schedules of specific commitments that have been technically verified and approved by the Council of Ministers

## Dispute Settlement Mechanism

18. A major achievement under the Phase I negotiations is the operationalisation of the dispute settlement mechanism, to be implemented by the Dispute Settlement Body (DSB) which was established in April 2021.
19. Today, for the first time on the continent, free trade in goods and services is backed by a robust dispute settlement framework for the resolution of trade disputes that are to be adjudicated by a competent, impartial and independent panel. We have recently concluded the process of appointing the Appellate Body of the dispute settlement mechanism. Now the focus is on creating awareness of the DSM by considering and adopting a communication plan. This plan

will ensure that stakeholders are well-informed about the DSM and its processes, promoting transparency and understanding.

## Phase II Protocols

20. Following the conclusion of the Phase II Protocols on Competition Policy, Investment, and Intellectual Property Rights (IPR), in October 2022, the Assembly of Heads of State and Government of the African Union at its Summit convened in February 2023, adopted the three Protocols as recommended by the Executive Council paving way for their implementation.
21. Work is currently ongoing to conclude the outstanding two Protocols on Digital Trade (formerly e-Commerce) and Women and Youth in Trade. The Protocol on Digital Trade is set to broaden access to trade, particularly for Micro, Small and Medium-sized Enterprises that are led by women and young Africans.
22. The Protocol on Women and Youth in Trade when completed will address challenges that young people as entrepreneurs and traders face through legally binding commitments. Over the past two years, the Secretariat has undertaken extensive consultations of women and youth on the challenges they face when trading across the continent; as well as on the key elements that needed to be included in the protocol and its implementation once negotiations were concluded.
23. These two protocols are critical for the AfCFTA to be inclusive.

## Start of Trading/Guided Trade Initiative

24. January 1, 2021 marked the beginning of a monumental milestone in Africa's integration history, as the continent opened its markets for trade in goods under the continental free trade area. This came nearly three years after the establishment of the AfCFTA in Kigali – Rwanda amid the global COVID-19 pandemic which delayed the commencement of trading by six months.
25. However, since this historic launch of trading was on the basis of a "provisional arrangement," as negotiations to finalise the rules of origin and tariff reductions were still ongoing, commercially meaningful trading under the AfCFTA preferential regime did not take place.
26. The Secretariat launched the Guided Trade Initiative (GTI) on October 7, 2022 in order to facilitate the start of commercially meaningful trading under the AfCFTA tariff preferences.
27. This Secretariat-driven initiative, therefore, provided a solution-based approach to address the non-trading situation under the AfCFTA and was a key development at the continental level that injected some vitality into the implementation of the AfCFTA.
28. Seven (7) State Parties from the five regions of Africa, participated in the inaugural Guided Trade Initiative event, which was facilitated by the AfCFTA Secretariat, in close coordination with the national AfCFTA implementation committees to ensure trading under the AfCFTA through matchmaking of businesses and products

- for export and import between participating State Parties.
29. Under the Guided Trade Initiative, various consignments of agro-based products including tea, coffee, palm oil, cashew, dried safou, and manufactures such as ceramic tiles, and car batteries have been traded among the first batch of countries participating in the initiative.
30. For the countries involved, this expands their export markets and benefits their own consumers by importing cheaper products. The businesses producing the 'made-in-Africa' goods and trading under the initiative, are also now making more money which is helping to improve livelihoods, including for small traders and women.
31. On account of the success of the GTI, we intend to extend the coverage of GTI to trade in services on the basis of the criteria to be agreed on. Services are now the backbone of manufacturing and industrialisation, accounting for a significant share of gross domestic product (GDP) in most African countries. The inclusion of services would, therefore, significantly boost intra-Africa trade. We also anticipate that many more State Parties will join the GTI.
33. To this end, we have devised mechanisms and arrangements, in the form of a framework of collaboration among the African Union Commission, the AfCFTA Secretariat, as well as the Secretariats of the RECs, to ensure optimal benefits. The Framework promotes synergy by avoiding duplication and facilitates efficiency in advancing our economic integration agenda. It is also designed to promote transparency, which is critical to building trust among the collaborating partners.
34. At the 2nd Coordination Meeting of the CEOs of Regional Economic Communities (RECs) on the Implementation of the African Continental Free Trade Area (AfCFTA) hosted by the EAC in Arusha – Tanzania in June 2022, we also deliberated on an innovative framework for resource mobilization towards the implementation of the AfCFTA, including unity in purpose in approaching development partners such as the EU.

## AfCFTA Trade and Industrial Development Advisory Council

35. The Secretariat has established an AfCFTA Trade and Industrial Development Advisory Council. This is an informal structure but, comprised of respected African development economists, researchers, academics and business people to assist the Secretariat to discharge the mandate set out in Article 3 of the Agreement Establishing the AfCFTA.
- Regional Economic Communities (RECs)**
32. The achievement of the AfCFTA goals involves the utilisation of Africa's Regional Economic Communities (RECs) to serve as the building blocks of the AfCFTA, as provided for in the Agreement.

## AfCFTA Academy

36. Work is progressing on the establishment of an AfCFTA Academy. This will help, among other imperatives, to deepen the AfCFTA Secretariat's insights on the capacity building needs of its member states and provide skills and competencies required by African policy makers to implement the AfCFTA and advance transformative industrialization.

## Private Sector Initiatives:

### AfCFTA Private Sector Engagement Plan

37. We have put in motion an industrial plan for Africa, what we call the AfCFTA Private Sector Engagement Plan, to help scale up the continent's manufacturing capacity via regional value chains.
38. The aim is to increase industrial production and reduce dependencies in four critical sectors, namely agriculture and agro-processing, automotive, pharmaceuticals, and transportation and logistics. Until now, local demand for these goods and services is currently being met through relatively high-cost imports, despite the continent's growing and lower cost production capabilities
39. The interventions are expected to potentially add more than US\$11 billion in production and US\$5 billion in intra-Africa trade per annum, more than doubling the current contribution of these value chains to intra-Africa trade. The additional investment in these value chains could create 700,000 jobs, with 50 percent focused on youth and women.
40. With this Plan, government officials can well target sectors which consist of

opportunities for their country's entry into the AfCFTA market, creating targeted trade capacity building programmes that can strengthen exporter readiness. Businesses are also in a better place to make sound decisions on where to invest to seize opportunities offered by the AfCFTA.

41. There are several other sectors with high potential and these would be addressed in later phases, for example, textiles, horticulture, financial services, telecommunications and digital services.

## The AfCFTA Adjustment Fund

42. In the last couple of years, we have worked, in collaboration with the Afreximbank, to deliver an impactful and sustainable adjustment (fund) facility.
43. The Adjustment Fund is a critical instrument in the realisation of the AfCFTA and consists of the Base Fund, the General Fund, and the Credit Fund. It addresses short-term disruptions from the implementation of the AfCFTA agreement through financing, technical assistance and grants and compensation funding.
44. The resources required for the Adjustment Fund over the next 5-10 years are estimated at about US\$10 billion. The Afreximbank has committed US\$1 billion to catalyze activities. It also approved a Grant Funding in an amount of US\$10 million to seed the Base Fund. We intent to raise more funds, to enable

- all AfCFTA State Parties to benefit from the AfCFTA.
45. The AfCFTA Secretariat, Afreximbank, and the Government of the Republic of Rwanda, have signed the Host Country Agreement to formalise the status of the Adjustment Fund office in Kigali, Rwanda. This is a critical step to the operationalization of the Fund, as it facilitates the establishment of the Fund and the requisite structures in Rwanda.
- ## Pan-African Payments and Settlement System (PAPSS)
46. At the continental level, Afreximbank, in partnership with the Secretariat, has put in place the Pan-African Payment and Settlement System (PAPSS) to provide a cross-border, financial market infrastructure. This is to enable instant cross-border payments in the respective local African currencies and save the continent around US\$5 billion in currency conversion each year. The PAPSS effectively eliminates Africa's financial borders, formalises and integrates Africa's payment systems.
- ## Intra-Africa Trade Fair (IATF)
47. Intra-Africa trade is one of the lowest among other regions of the world, and one reason for this is the lack of access to trade and market information. To address this challenge, Afreximbank in collaboration with the African Union Commission and the AfCFTA Secretariat launched the biennial IATF to, among others, sustainably address the gap in trade and market information for the successful realisation of the AfCFTA objectives.
48. The 3rd Intra-Africa Trade Fair (IATF2023), will be hosted by the Arab Republic of Egypt, in Cairo, in November 2023, under the theme: "Building Bridges for a successful AfCFTA". A strong focus will be placed on recognising growth opportunities for Intra-Africa cross border trade and investments.
- ## The AfCFTA Business Forum
49. Again, to promote private sector led integration, the Secretariat has established the AfCFTA Business Forum which is now contributing to increased cross-border trading and investments. This is Africa's biggest business event, designed with the aim of accelerating the implementation of the AfCFTA and activating trade and investments.
50. The AfCFTA Business Forum's main focus is the private sector. The programme and activities have been curated specifically to create a private sector engagement platform and promote a private sector-friendly environment.
51. The AfCFTA Business Forum provides a platform to showcase the African Union's commitment to promoting economic integration on the continent and to encourage investment and trade within the AfCFTA. This is a crucial moment for businesses, investors, and governments to come together to discuss, collaborate and create a shared vision for the future of African trade. The forum was successfully held in April 2023 in Cape Town, South Africa.

## Challenges:

### Ratification of Agreement:

52. As Secretariat, we appreciate the fact that trade agreements are very complex, very technical, and thus countries tend to take a lot of time to deliberate on the implications

- and obligations that they are undertaking.
53. The Secretariat has continued to engage and provide the needed support, where necessary, to ensure that all the African Union Member States are on board in order to have the AfCFTA operating at full capacity to yield maximum benefits.
54. The challenge, however, is that the outstanding ratifications (now 8 countries or 15%) have in some ways contributed to the delay in the effective implementation of the agreement especially, in the case of the existing custom unions which are obliged to submit joint regional schedules of tariff concessions to maintain their common external tariffs.
- Outstanding negotiations on key operating instruments:**
55. Implementation of the agreement has been hampered by the non-conclusion of rules of origin for a few tariff lines (about 12%), relating to the more sensitive products such automobiles and clothing and textiles. There have also been delays in the submission by Member States of tariff concession schedules and positions for trade in services in the five priority sectors.
56. The Secretariat, would continue to work with the Member States to ensure completion of all outstanding negotiations this year.
- National AfCFTA Implementation Strategies**
57. Generally, the ultimate responsibility for the implementation of the agreement lies with the State Parties to the agreement, and one way to ensure effective implementation of the agreement, is the implementation National AfCFTA Strategies. Most Member States have, however, been late in preparing their national strategies, and those who have adopted them, are yet to start implementation.
58. So far, 25 State Parties and one (1) REC have validated their strategies of which nine (9) are under implementation. Furthermore, 12 countries and three RECs are drafting their strategies. This year, we anticipate an acceleration in the adoption and implementation of national AfCFTA strategies.
- Disparity between African countries and Institutional capacity:**
59. The disparity between African countries and Institutional capacity poses a huge challenge because it goes to questions around inclusivity of benefits of the agreement.
60. The 55 African Union Member States are at different levels of economic development and industrial capacity. Close to 50 percent of Africa's cumulative GDP (2020) is, for example, contributed by only three countries.
61. While some countries may be ready from an industrial capacity point of view to export straightway to derive immediate benefits from the one Africa market, some other countries will need more time.
62. Furthermore, when it comes to enforcement capacity of the harmonized rules, countries are at different levels of readiness. Some of the countries currently lack capacity, however, they have ratified the agreement in the hope to develop their capacity as they implement the agreement.
63. It is, therefore, paramount for the Member States to keep working at building the capacity of all officials. Trade officials and customs authorities, for example, require a full understanding of the AfCFTA to enable them to verify compliance and provide support to the private sector.

## **Trade Finance**

64. A major challenge to the success of the AfCFTA is the high trade finance gap, estimated at US\$82 billion, by Afreximbank and the AfDB. The lack of adequate trade finance is a significant non-tariff barrier to trade and can limit the full trade potential of the AfCFTA. This gap makes it harder for goods to move across borders and for businesses to innovate, create jobs, and drive economic growth.
65. The AfCFTA Secretariat is in conversation with some commercial banks and other key stakeholders in the continent to establish a Trade Finance Facility to support MSMEs, especially those managed by women and young entrepreneurs. Progress has, however, been slower than anticipated, due to the need to tackle some pressing technical issues to ensure a seamless roll-out of a continental trade finance facility.

## **Inadequate transport and logistics infrastructure**

66. The World Bank's Logistics Performance Index has for several years ranked many African countries low on indicators such as cross-border clearance processes, quality of trade, infrastructure, inconsistent tax regimes, and consignments' track and trace mechanisms. On average, African countries rank between 1.77 and 3.43 out of 5 on the Logistics Performance Index which measures the ease, speed and simplicity of moving goods and services across the continent.
67. Now with the operationalisation of the AfCFTA and the significant opportunities it presents in various sectors, especially for SMEs, we are working to address the bottlenecks.
68. Transport and logistics have, therefore, been given priority and are part of the AfCFTA Phase I negotiations under the Protocol on

Trade in Services, as they will play fundamental roles in increasing the competitiveness of the African industry in both the services and manufacturing sectors. Specific commitments in transport services undertaken by State Parties would go a long way to address infrastructure bottlenecks among African countries.

69. In this regard, Africa needs to build a multi-model continental transport network bringing together infrastructure, equipment and digital solution needed to support the demands of trading under the agreement.

## **Inadequate Infrastructure:**

70. Africa remains constrained by huge infrastructure gaps, with an estimated annual financing need of between \$130 billion and \$170 billion, and an annual financing gap of between \$68 billion and \$108 billion.
71. The lack of connectivity between fragmented economies and even within certain countries, hinders the ability to transit trade from the bottom of the country where the port is situated to the top of the country where often a lot of agriculture is produced.
72. Access to energy is also limited in most countries, hindering industrial transformation. In addition, low digital penetration rates are a key challenge mentioned in most national AfCFTA strategy documents.
73. For most African countries, therefore, the infrastructure gap remains one of the key areas to consider to facilitate the efficient and affordable movement of goods and services across borders.
74. While this is not a core mandate of the AfCFTA Secretariat it impacts on trade in goods but also the delivery of services

such as transport. The Secretariat, in this regard would continue to work with the relevant African Union organs and Development Partners to establish priority infrastructure networks.

### The threat of instability to trade in Africa

75. Pockets of instability in the Sahel, the Horn and Central Africa are also potential threats. At the same time, there are also opportunities for the AfCFTA to help consolidate peace through integrated markets and regional value chains.

### External Factors:

76. External factors, such as the Covid-19 pandemic and the Russia-Ukraine conflict, affect the effective implementation of the AfCFTA. The pandemic which resulted in the closure of borders, travel bans and disruptions to global and regional value chains virtually shut out Africa from critical trade routes and trade networks.
77. The global pandemic and ongoing conflict in Ukraine have worsened public deficits and the debt burden, and reduced infrastructural investment in Africa. These are factors completely out of Africa's control, but with severe implications for trade and economic development.
78. The crises have also led to increasing protectionist measures as countries opted to shore up their trade and economy with 'protectionism' strategies, prioritising their national supplies to satisfy domestic needs, often through export bans. Increased protectionism impedes global output of goods and services.
79. There are two lessons to draw from the impact of these crises on Africa's integration efforts. The first is that they have underscored the importance of accelerating industrial development, self-sufficiency and the establishment of

regional value chains across the continent. Africa needs to accelerate its self-sufficiency so that when there are border restrictions on masks, personal protection equipment required to fight a pandemic, for instance, the continent would be self-sufficient.

80. The second lesson is to ensure that the rules on intellectual property rights serve Africa's industrial development and public health imperatives; that the legal framework of the AfCFTA's intellectual property rights, supports the capacity to produce vaccines without patent violations and enables Africa to establish its generic drug industry without the constraints presented by intellectual property rights.
81. Another serious external issue is climate change. While Africa's carbon footprint is minimal, the catastrophic impacts of climate change are evident across the continent, from higher temperatures, drought, irregular rainfall, food insecurity, and migration.
82. Most of the Member States depend on minerals, agriculture, and wildlife which leaves them vulnerable to extreme weather events. Climate change, therefore, poses serious risks to the success of the AfCFTA and Africa's sustainable future.
83. The AfCFTA, however, provides the continent with an opportunity to tackle climate change. There are opportunities to produce environment-friendly goods and services liberalization, harmonize and strengthen environmental standards, incentivize and facilitate the diffusion of green technologies as well as promote and facilitate green investment. Work is currently underway to determine how to include environmental considerations into the implementation of the Agreement. We need to ensure that whatever measures are adopted would support the continent and member states' industrialisation

ambitions and development.

## Conclusion

84. Building on past achievements during these four years, we must take challenges as opportunities to consolidate among ourselves to become a more inclusive and resilient continent.
85. Successful implementation of the AfCFTA and unity of purpose – speaking with one voice – are two critical elements that will enable Africa to be counted and effective in the world arena.

86. The AfCFTA has experienced challenges, yet it has managed to grow stronger and continues to undertake a path based on engagements and dialogues among stakeholders. Through various institutions and organs of the AU, such as AUDA-NEPAD and with strong support from Afreximbank and AfDB, I strongly believe that the cooperation within and with our external partners could be pursued efficiently in the years ahead with the ultimate goal of achieving an integrated, prosperous, and peaceful continent.



**Ms. Fatoumata FOFANA**

Executive Secretary of the CN-ZLECAF

**Question 1:** Tell us about your role at the AfCFTA National Implementation office in Côte d'Ivoire, CN-ZLECAF?

The Executive Secretariat is the technical, administrative and financial management body of the AfCFTA National Implementation office. It is responsible for:

- Produce periodic reports on the activities of the National Committee for the African Continental Free Trade Area
- Draw up and implement the CN-ZLECAF's annual action plan and the related budgets;
- Implement the decisions of the Technical Committee;
- Prepare technical files for COD and TC meetings;
- Coordinate the activities of the technical working groups;
- Publicize, by any means, the decisions taken by the Government as part of the implementation of the Agreement;
- Coordinate the implementation of activities related to the Agreement.

## Exclusive Interview

**Question 2:** What are the main axes of your strategy to implement the AfCFTA in Côte d'Ivoire?

The main axes of our strategy to implement the AfCFTA in Côte d'Ivoire are:

**Axis 1:** Greater ownership of the Agreement's content by all stakeholders;

**Axis 2:** Rationalization of the institutional and regulatory framework for trade promotion and effective application of the provisions of the Agreement;

**Area 3:** Strengthening the reference framework for public strategies and improving the competitiveness of sectors;

**Axis 4:** The development and implementation of offensive sectoral trade strategies;

**Priority 5:** Upgrading producers (particularly VSEs/SMEs) and products;

**Priority 6:** Promoting women's participation in cross-border trade.

strategy by stakeholders

**Question 4:** How can AfCFTA stakeholders participate in acceleration the implementation of this historic Agreement?

The stakeholders can participate in acceleration of the implementation of this historic Agreement by increasing their ownership of the national strategy and leading the agreement implementation activities.





ACCELERATION OF  
**AfCFTA**  
IMPLEMENTATION



## The AfCFTA: A NEW ERA OF TRADE

**Get Involved. Get Creative. Get Empowered**



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