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Statement Delivered

By

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**Commissioner for Economic Development, Trade, Industry
and Mining**

2021 Tralac Annual Conference

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I greet each and every one of you.

I would like to begin by thanking Tralac for the opportunity accorded to me to deliver the keynote address at your 2021 Annual Conference which you are holding with specific focus on Africa's healthcare sector, access to vaccines, the African Medicines Platform, and training and retention of healthcare professionals on the continent.

Your gracious gesture consolidates the growing strategic partnership between our two institutions. It is now a culture that the African Union Commission, AfCFTA Secretariat and Regional Economic Communities, collaborate with Tralac at all the Annual Conferences in a spirit of frankness. This is as it should be. Let us deepen the process.

The COVID pandemic has reminded us of the importance of Africa's integration. A few years ago, no one anticipated that we could be in this precarious situation. Lives have been lost, private sector entities are battling to survive, and Governments are trying by all means to salvage the situation. Access to vaccines is now more critical than before. The roll out of vaccination programmes across the continent is ongoing, albeit at different rates. However, what is concerning is the low rates of vaccination in Africa. The target was to vaccinate 60% of the population of 1.26 billion people by June 2021. To date, less than 2% of that population has been vaccinated.

In May 2021, the World Trade Organization announced a proposal on TRIPS Waiver, which will suspend intellectual property rights protection for products and technologies needed in the fight against COVID-19, including vaccines. The waiver would be for the duration of the pandemic. This will give Africa a window of opportunity to manufacture and distribute vaccines in order to save lives. More than 99% of vaccines are imported, and this is not sustainable. We need to build strong manufacturing capabilities in Africa. As we convene this Conference, only five (5) countries in Africa are able to manufacture vaccines and these are Egypt, Ethiopia, Senegal, South Africa and Tunisia.

Developing local capabilities to manufacture pharmaceutical products relies on many enabling activities such as skills development, research and development, access to finance and, inter-alia, logistics. Africa has no choice but to invest in all these.

During the negotiations establishing the AfCFTA's Protocol on Trade in Services, priority was given to Business Services, Communication, Financial Services, Transport and Tourism. The COVID pandemic is a wake-up call to give prominence to the Health Sector as well. We will have a conversation with my colleague H.E Wamkele Mene, the Secretary General of the AfCFTA Secretariat to include the Health Sector as the sixth priority sector under Trade in Services. This way, Africa will improve its public health response capabilities with respect to the current and future pandemics.

We are also being hit by the COVID pandemic when over 40% of trained health professionals are working outside the continent. Africa cannot afford this brain drain. We need to give incentives for health professionals to come back to Africa.

One of the long-term lessons is that the COVID – 19 Pandemic and climate change do not respect national borders nor the sovereignty of Member States. We cannot tackle these challenges as individual countries, or through “member-driven” arrangements, not in Africa nor anywhere else. This pandemic does not confront us with a neatly distinguishable set of problems. And there are more challenges to come.

There are things to be done **nationally**, those that require **regional** and **continental** efforts, and then there are matters that can only be tackled through **global** endeavors. We need appropriate strategies for all these different dimensions. Our responses will need to be inter-connected. The COVID - 19 crisis affects us all, and we share joint ownership of its legacy.

That brings me to the African Continental Free Trade Area (AfCFTA). We have made impressive progress early in the negotiations, but there remains much to be done, both in terms of the negotiations and the actual implementation. The AfCFTA can be a vehicle for improved governance in many areas, including customs and border management, elimination of non-tariff barriers and trade facilitation. But we do recognize that integrating, eventually, 55 Member States that are at very different levels of development will take time. Implementation support will be essential to many State Parties of the AfCFTA Agreement.

Let me also emphasize that the Regional Economic Communities (RECs) will remain part of the African integration narrative. They are building blocks of the African Economic Community, as espoused in the Abuja Treaty of 1991.

The AfCFTA is not only a free trade area, but also a flagship development project of the African Union. Through it, we are opening up new avenues of inter-country and inter-regional linkages in education, health, transport, communication, tourism and inter-alia energy. We are also creating a large market space that will both attract investments and promote structural transformation through export diversification. All these are levers of development.

The success of the AfCFTA depends on effective implementation of the commitments undertaken by the State-Parties. Domestic preparedness and follow-up action will be critical in this regard. The inclusion of the Protocol on E-Commerce and the Protocol on Women, Youth and SMEs into the AfCFTA negotiations is motivated the unique demands facing the continent.

The COVID -19 pandemic locked us away from the much needed human interaction, but trade had to go on through E-commerce. The digital landscape is varied across the continent, and Member States must work together to resolve this challenge. Improvements in the digital infrastructure will improve the continent's capacity in utilizing the AfCFTA preferences, especially for Women and Youths.

As I conclude, let me emphasize the importance of public Private Partnerships in driving Africa's progress. Tralac and ourselves are a good example of a dynamic and growing partnership. It is for this reason that I have since my coming to the African Union Commission in 2017 been a regular participant in Tralac meetings.

The Ae Trade Group is another example. During the second Africa Integration Day commemoration held from 7-9 this month, the Ae Trade Group brought the voice of stakeholders together to support the Youth, Women and SMEs in the form of strategic alliances among governments, the private sector development finance institutions and intergovernmental organizations. This collaboration is commendable.

Going forward, we want to see more partnerships. In these partnerships, we also want to see Government procurement rules that provide preference to SMEs, Women and Youth in order to enable them to be meaningful participants in the AfCFTA market and beyond.

I am advised that during the two day conference, there will be a launch of the study on **Trade and Gender in Africa's Trade Agreements**. The study provides a comprehensive review of all gender-related provisions in Africa's trade agreements. We hope the study will assist Member States as they prepare for negotiations on the AfCFTA Protocol on Women, Youth and SMEs. The African Union Commission and the AfCFTA Secretariat look forward to receiving copies of the study.

I will end here and thank you all for your kind attention.