

Vera Songwe, ECA Executive Secretary

Talking Points

7th Tripartite Sectoral Ministerial Committee Meeting of COMESA-EAC-SADC Cape Town, South Africa June 18, 2018

Secretary General of COMESA and Chairman of the Tripartite Task Force,

Executive Secretaries of EAC and SADC,

Honorable Ministers,

Ladies and Gentlemen,

It is a pleasure for me to participate in the ministerial meeting of the Tripartite Task Force of COMESA-EAC-SADC. As you know, we at the ECA have a keen interest in the discussions you are having on the Tripartite Free Trade Area, especially because of its strategic relevance for the Africa Continental Free Trade Agreement (AfCFTA).

Synergies between the Tripartite FTA and the AfCFTA

There are tremendous synergies between the Tripartite and the AfCFTA. In fact, considerable synergies have already been realized. It is clear, for instance,



from the negotiated AfCFTA text that the ideas put on paper, and signed by our heads of state in March, germinated from the good work of the Tripartite negotiators. The shape and structure of the AfCFTA and many of its solutions, from Non-Tariff Barriers to trade remedies, were formed here in the Tripartite negotiations. In that sense, synergies between the two have already been demonstrated and reaped. Yet we need to look ahead to see how and where such synergies can be taken forward in finalizing both agreements and in ensuring their effective implementation.

Firstly, this calls for the pooling of resources and efficiency gains. Where the tripartite has already seen successes, these can be emulated on the continental scale. The Tripartite Non-Tariff Barrier Mechanism is a good example: already over 510 registered complaints in the Tripartite region have been resolved. This matters because businesses frequently indicate that such barriers are far more burdensome than tariffs. The AfCFTA would gain valuably from the continental roll-out of the Tripartite Non-Tariff Barrier Mechanism, and indeed such a mechanism is envisaged within the AfCFTA Non-Tariff Barriers Annex. There may also be cases where what is agreed at the continental level can be applied within the Tripartite area. An example, would be the upcoming



phase II AfCFTA negotiations on competition, intellectual property and investment. Another critical example for the Tripartite is

the importance of a well-resourced Secretariat to push the negotiations, provide technical inputs where necessary, lobby at the political level, and lubricate what can be challenging negotiations. Thus, we at the ECA strongly advocate for a robust Tripartite Secretariat.

Secondly, the Tripartite can serve as a valuable platform for aggregating and consolidating negotiating positions. Rather than a negotiation of 55 parties, this helps rationalize the AfCFTA into one in which 26 members have consolidated positions. Indeed, this is already evident within the AfCFTA negotiations, however there is clear scope to take such efficiencies forwards. In Rules of Origin, for instance, the Tripartite group might wish to bring to the continental platform, the hard work they have undertaken in identifying common rule positions and in doing so, help to expedite the pace of the AfCFTA work in this area. When it comes to implementation we must have in mind the type of synergies that seek our ultimate objective: that is, making the trading landscape in Africa simpler, more affordable and easier for our businesses, traders and



consumers. We must therefore take considerable care that such initiatives as the Tripartite and the AfCFTA do not aggravate the infamous "spaghetti bowl" of overlapping REC trade areas and initiatives in Africa. This is no easy task with no easy answer. The solution maycome in implementation, and in ensuring that the Secretariats and institutions of the Tripartite, the AfCFTA and the RECs are aligned to work closely. Over the medium term, consolidating the trading regimes in Africa could involve harmonizing what has proven to work well in one context – such as the aforementioned Tripartite Non-Tariff Barrier Mechanism.

It is clear that working closely together means working well. As both the Tripartite and AfCFTA negotiations conclude and move towards implementation, the ECA stands ready as a supportive partner. This means, in particular, technical advisory services and capacity building, especially in areas with complementarities between the AfCFTA and the Tripartite.

I am happy to report that last month we had a meeting via video conference, which helped to establish a collaborative discussion and information-sharing platform between ECA and the three Regional Economic Communities on the



Tripartite Free Trade Area. We also discussed how the Tripartite and ECA could strengthen collaboration to fast track ratification and the implementation of the Tripartite Free Trade Area. We look forward to engaging with you further to fine-tune the areas that ECA could support.

Strategic direction at ECA

Execellencies, Ladies and Gentlemen,

In pursuit of its mandate, the ECA periodically reflects, consults and looks forwards to see how and whether it can refocus its programmes to make them more responsive to the transformative agenda of Africa and the evolving needs of its member States.

In September 2017, the ECA began such a process of reflection, including several strategic reviews with a view to reorienting the Commission to effectively supporting the implementation of the Continent's development plans. At the centre of this reflection was the 2030 Agenda for Sustainable Development and Agenda 2063 of the African Union.



I would like to take this opportunity to briefly apprise the delegates here today of our refocusing and reorientation, especially as it relates to our support relevant to trade and integration.

Going forward, ECA will concentrate on five strategic directions:

1. Advancing the position of ECA as a premier knowledge institution that builds on its unique position and privilege to bring global solutions to the continent;

2. Building sustainable development solutions to accelerate Africa's economic diversification;

3. Creating innovative solutions to finance sustainable infrastructure, human, physical and social for a transforming Africa;

4. Contributing solutions to transboundary issues, with a focus on social inclusion; and

5. Developing regional solutions as a contribution to global governance issues, and building knowledge to manage the challenges in store for and support Africa's next-generation.

In doing so, an important change will be our plans for the Commission to move beyond merely focusing on the public sector to focus efforts and actions at



supporting and growing Africa's domestic private sector. Of course, the private sector are at the heart of trade. It is our businesses, traders and consumers who trade goods across our borders to whom the Tripartite and AfCFTA should serve. ECA will increasingly speak to this by deepening our collaboration with the private sector in support of trade policies, among other policy areas.

As such, regional integration and trade will remain a vital sub-programme of the ECA, with the objective of supporting our member States in their endeavour to deepen regional markets, boost intra-African trade, accelerate industrialization and tackle the challenges of structural transformation. We remain committed to supporting the Tripartite Free Trade Agreement and the AfCFTA, including through technical support to member-states, technical research and the AfCFTA Business Index that the African Trade Policy Center is currently developing as a monitoring tool to assess how well the AfCFTA is delivering on the expected gains

In repositioning ourselves at ECA, we believe we can go a long way towards ensuring that we serve our member States best by putting ideas into action for an empowered and transformed Africa.



Before I end, it will be remiss of me not to acknowledge Mr. Sindiso Ngwenya, Secretary General of COMESA and the Chairperson of the Tripartite Task Force for driving this work. I will therefore use the opportunity to thank him for contributions and to wish him well as he approaches the end of his mandate.

I look forward to fruitful deliberations today. Thank you for your kind attention.