

Information Brief on the AfCFTA

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ECOWAS Multi-stakeholder Dialogue Calls for Concerns on AfCFTA to be Addressed

Concerns over the content, process and speed of negotiations of Africa's Continental Free Trade Area (AfCFTA) persist despite incessant calls for improvement in these areas of the negotiations. These came up at an ECOWAS Regional multi-stakeholder Dialogue on the issues and implications of Africa's Continental Free Trade Area (AfCFTA) held in the Senegalese capital, Dakar, from 26 to 27 July 2018. This was a regional follow-up to an Africa-wide [consultation](#) held earlier in Accra.

The dialogue brought together over fifty (50) participants comprising policy officials from the Africa Union Commission (AUC), ECOWAS Commission, senior government officials from ECOWAS member countries, the private sector, civil society organisations, research institutions, academia, trade unions, women groups and the media across West Africa. There were other representatives from Central and Southern Africa.

The regional dialogue recognized that the AfCFTA could make a positive contribution to Africa's economic integration and help correct the structural deficiencies facing African countries in world trade. They, however, noted that several challenges need to be addressed in relation to the AfCFTA to make it appropriate for Africa's development.

First and foremost, the tariffs liberalisation should provide enough space for policies needed in the context of the African Union's Policy Framework and Vision defined by Agenda 2063 and pillars such as Boosting Intra-Africa Trade (BIAT), the Accelerated Industrial Development of Africa (AIDA), and the Comprehensive Africa Agricultural Development Programme (CAADP) among others. Without this the AfCFTA could undermine Africa's development.

Related to the above is the ability to accommodate the different levels of development of the countries of the ECOWAS region, comprising four (4) developing countries and eleven (11) least developed countries. Participants also called for flexible rules of origin with a view to ensuring priority access for African companies to the continental market, development of productive capacities and creation of regional and continental value chains. The rules of origin should also give protection to sectors to ensure linkages within sectors and thereby ensuring that industrialisation takes place.

In relation to services, participants underscored the importance of services sectors such as infrastructure, finance, and energy to Africa's integration. However, they noted that the liberalisation of services is not necessarily the most appropriate way to realise the potential of the sector. Regional cooperation for building local regional companies could be explored. This is

particularly so since most of the areas targeted for liberalisation are dominated by foreign companies as a result of years of Structural Adjustment Programme (SAP).

Moreover, stakeholders raised issues with the lack of availability of data and basic information regarding the actual profile of the services sectors, the types of operators, their interlinkages with strategic sectors of the economies, among others, to inform decision making. In the absence of data currently, the dialogue called for a moratorium on services negotiations to allow for analysis in terms of the political economy of the sector, so that the offers be made based on tangible economic and social data.

Lack of broad and inclusive consultations with all relevant actors at national and regional levels as well as the involvement of the Regional Economic Communities (RECs) also came up. This has been one of the major constraints that still justifies legitimate fears and concerns expressed by actors in many countries. Hence participants called for the elevation of the role of ECOWAS Commission in the AfCFTA negotiations to ensure that coherence is maintained in ECOWAS as a Customs Union. Pre-requisite for this elevation is enhanced CSOs and private sector participation at the national and regional levels. All these are compounded by the accelerated negotiations and tight deadlines.

Finally, participants discussed the threats of external agreements to the AfCFTA. The separate Economic Partnership Agreements (EPAs) by Ghana and Ivory Coast with the European Union portend a formidable threat to ECOWAS integration. So, in the context of the Africa Continental Free Trade Area negotiations and developments in Europe such as Brexit, the dialogue recommended that ECOWAS seize the opportunity to review the EPAs to ensure that the AfCFTA truly serves the Region.

The Dakar dialogue, hosted by the African Centre for Trade, Integration and Development (ENDA-CACID), was jointly organised with TWN-Africa, the African Institute for Economic Development and Planning (IDEP), International Centre for Trade and Sustainable Development (ICTSD), International Organization of Francophonie.

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