

tralac Newsletter



tralac Newsletter • Issue 20 • June 2020

Welcome to the tralac newsletter for June 2020

June is Youth Month in South Africa, and we're very pleased to present perspectives on trade-related issues that matter for Africa's youth. The youth, particularly in Africa, but also in other developing regions, is facing many challenges ranging from lack of stable economic opportunities to joblessness (unemployment and underemployment). **Recent statistics** show that one-third of the African youth is unemployed; one-third is in vulnerable employment. Countries across the continent are simply not creating enough formal and decent jobs for the youth coming into the labour market each year. Even the advanced economies like South Africa and Nigeria are experiencing high youth unemployment rates.

12 million youth enter the African labour market every year yet only 3.1 million formal jobs are created. The youth face greater structural barriers to entry into the labour market than adults. The continent's economic growth and job creation trends are generally on the decline, not matching the increasing demand for economic opportunities and decent jobs. This situation provides significant challenges for governments to consider why their policies are not delivering on their promises of development outcomes.

The population of Africa is youthful and rapidly growing, with nearly 420 million aged 15-35, and this cohort is predicted to double by 2050. This population, if appropriately supported and nurtured, can be the greatest resource to

accelerate the continent's socio-economic development and transformation. It can also be a ticking time bomb if the young people do not find opportunities either in employment created by others or in their own entrepreneurial endeavours. This could pose dangers to social stability and perhaps even to the continent's peace and security.

The African Union (AU) has adopted several **initiatives** to harness the youth demographic dividend to advance the socio-economic transformation of the continent. The AU Youth Division is responsible for the Youth Agenda at the African Union Commission. The African Youth Charter outlines the continent's strategy for youth empowerment and development at the continental, regional and national levels. However, more work still needs to be done to implement the Charter and other youth initiatives of the AU so that they can deliver development outcomes.

Development partners and companies are stepping up with different initiatives to create opportunities for the youth. The African Development Bank, for example, has a transformative vision (**Jobs for Youth in Africa**) to create 25 million jobs and reach over 50 million Africans by driving inclusive growth across the continent and equipping youth to realise their full economic potential. The Multichoice Group, for example, has a range of youth support initiatives across the continent – one is a **'talent factory for young film makers'** offering training and opportunities for young creative talents.

We further commend governments who are implementing international and

national laws and policies to better the lives of the youth and next generations. We contend that harnessing Africa's demographic dividend requires effective implementation of (national and regional or continental) laws, policies and strategies that will accelerate sustainable and inclusive growth and create opportunities for young people.

The coronavirus (COVID-19) pandemic will severely impact the continent's public health and economies. While young people and children are not bearing the brunt of the health crisis, the measures implemented by governments to curb the pandemic will have a short and long-term negative impact on the youth (school disruptions, loss of parents, job losses etc). COVID-19 is also projected to contract Africa's FDI flows (an engine for economic growth and development and job creation) in 2020 and 2021. See a **blog by Talkmore Chidede on COVID-19 to curtail FDI flows to Africa in 2020**.

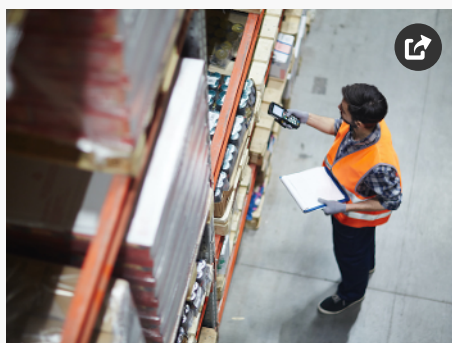


We recommend the development of post COVID-19 recovery strategies focusing on improving the lives of young people, better education, digital skills and quality jobs; policies that are forward-looking, reducing the damages caused by COVID-19 and resilient to future crises.

See a **blog by Trudi Hartzenberg and Talkmore Chidede on the *Youth and post-COVID-19 recovery strategies in Africa and beyond.***



Economies are digitising and future jobs are changing. Young people should be equipped with skills necessary for the needs and industry and commerce within a digital 21st century economy. Digital solutions are also changing the way of doing business and are essential to facilitate cross-border trade today. See the **blog by Wilfried Deudjui Mbouwé on *Digital Solutions for Trade Facilitation*** and **Rwatida Mafurutu's blog on the *Use of Electronic Certificates of Origin now and beyond COVID-19 in intra-African Trade.***



The continent needs young people who are not only focused on getting employed but also creating employment. Youth entrepreneurship skills should be stimulated and supported in Africa. This can be achieved through enabling entrepreneurship policies and training hubs, ease of doing business, market access, and sustainable and inclusive

funding for youth entrepreneurs. See a **blog by Maria Immanuel – *Youth Entrepreneurship in Africa: A beacon of hope for the continent.***



Equally, the availability of natural resources and arable land gives the continent potential to be a key centre of agricultural production and improve food security. Governments need to assist young people to take up opportunities in agriculture by removing barriers related to factors such as access to land, finance and other resources. See **Motlatsi Tolo's blog – *Challenges for youth entrepreneurs in agriculture.***



Governments should encourage and support youth to trade and participate in governance matters. Leaving the youth behind in trade and governance developments will perpetuate inequalities. Youth participation in trade and governance matters represents a progressive perspective on the role of young people in society. The young people are key stakeholders with vested interests in trade and governance matters. See the **blog by Obert Bore**



and Talkmore Chidede – *Youth in trade and trade governance in Africa.*

In addition, the implementation of the Sustainable Development Goals (SDGs) is a *sine quo non* for creating opportunities for the youth. See the **blog by George Lwanda – *Beyond SDGs: The role of African youth in reaping demographic dividends.***



We are pleased to bring you this newsletter which presents perspectives from the youth in tralac's network – they are alumni, members of tralac's Women in Trade Governance Network and the growing network of young entrepreneurs participating in tralac's research, training and dialogue activities. These are reflective contributions on key issues that need to be addressed to meet the challenges of the 21st century – they matter for all of us.

We are also pleased to share with you feedback from some of our alumni – they reflect on the training at tralac and what this has meant for their careers.

We look forward to your feedback; and wish you all the best.

The tralac team

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AFRICA INTEGRATION DAY 2020

tralac Webinar



In July 2019, on the occasion of its Twelfth Extraordinary Session when the Operational Phase of the African Continental Free Trade Area (AfCFTA) was launched, the Assembly of the African Union decided that 7 July should be designated Africa Integration Day.

To mark Africa Integration Day this year, the African Union Commission, in collaboration with a range of partners, prepared a **7-day programme of virtual events**.



Download the Joint Statement of the Chairperson of the AU Assembly, the AfCFTA Champion and the Chairperson of the AUC on the Commemoration of Africa Integration Day.

tralac hosted a webinar on Saturday, 4 July 2020 on 'Leveraging the AfCFTA for Africa's development: Lessons from COVID-19 experience'.

- ▶ **Concept Note**
- ▶ **tralac Webinar flyer**

tralac Training: Feedback from tralac alumni

We are pleased to share with you feedback from some of our alumni – they reflect on the training at tralac and what this has meant for their careers. Read more [here](#).



"I am very grateful to tralac for offering me such a rare training opportunity. It was intense, exciting yet very insightful. Now I can confidently write legal opinions and do researches on trade from a well-informed perspective."

EDNA ODUWO



"I still remember my daily routine at tralac like it was yesterday. Every day I spent at tralac was a learning experience which helped to map my career path in the field of international trade law.... I strongly recommend everyone who has an interest in trade policy and Africa's development to apply for the internship. It is an opportunity that will set the foundation for a career in international trade."

OBERT BORE



"I am pleased to have had the opportunity to benefit from such a well-designed, practical, informative, educational and innovative course. My horizons on trade governance, law and administration was broadened."

EMMANUEL KONJOH



"The program gave me a better understanding of Africa's trade. It opened my eyes to what is really happening in the trade world. You find that not all of us have the privilege of being taught even the fundamental principles of trade and this program closed that gap.... My wish is for all my colleagues under our International Trade Law Unit to also enrol for the course. I am confident it will also be beneficial for them."

KEMOABETSWE SEEMULE



The Wild West is Dead; Long Live Data Protection

By Paul Esselaar

South Africa's sea change for data protection has just been announced by President Cyril Ramaphosa. Almost all the remaining sections of the Protection of Personal Information Act no. 4 of 2013 (POPIA) will be enacted on 01 July 2020. Before you go into full-on panic mode, this does not mean that POPIA will be in force as of after the commencement date (01 July 2021). A little panic may be justified. [Read more.](#)



How Should the Covid-19 Pandemic Inform Economic and Trade Policy?

By John Stuart

How should policy makers respond to the current Covid-19 crisis? Policy should take into account the full set of drivers of net welfare change, rather than focusing only on morbidity and mortality due to the virus. This could lead to a moderated response to lockdowns, border closures and trade restrictions. [Read more.](#)



An Agenda for the AfCFTA Protocol on E-Commerce

By Ify Ogo

E-commerce has been included in the African Continental Free Trade Area (AfCFTA) through a decision of the African Union Heads of State and Government Assembly in February 2020[1] and will be integrated through a third phase of negotiations. This decision could potentially lead to expanded market space for e-commerce players on the continent. [Read more.](#)



EU investment governance developments: Implications for African countries

By Talkmore Chidede

In recent years, there have been developments in the EU's investment policy, particularly related to dispute resolution. African countries must monitor and understand the new approach and developments in the EU's international investment policy as they pertain to Africa-EU investment relations. [Read more.](#)



Digitalise transport and trade procedures to ease the supply of essential goods during COVID-19 and beyond

By Trudi Hartzenberg and Talkmore Chidede

Digitalisation of procedures not only facilitates the swifter movement of goods across borders but importantly also reduces human contact at the borders – containing the spread of COVID-19 through cross-border trade activities. Digitalisation can also contribute to reducing corruption. This is of course important during times of crisis but is a fundamental governance concern. [Read more.](#)



South Africa's April 2020 trade statistics – reduced exports lead to a significant trade deficit

By Willemien Viljoen

April 2020 trade data released by SARS shows how South Africa's lockdown and the demand for medical equipment are shaping South Africa's pattern of trade with the rest of the world. [Read more.](#)

Trade-related policy responses to COVID-19



tralac is monitoring trade-related policy measures and responses to the Coronavirus (COVID-19) pandemic adopted and implemented by African countries and beyond.

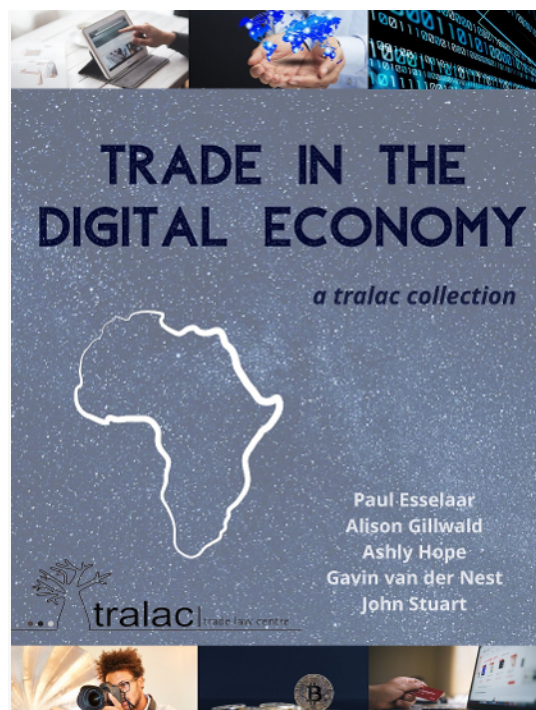
We have two dedicated pages tracking national and regional responses to COVID-19 in Africa, as well as a general news, analysis and resources page. Take a look using the links below:

- ▶ [COVID-19 Country Policy Tracker](#)
- ▶ [COVID-19 Regional Policy Monitor](#)
- ▶ [COVID-19 Response: News, analysis and resources](#)

For more COVID-19 related news and other updates, [click here](#).

Recent Publications

tralac promotes active debate on trade law and policy issues in Africa and engages in applied trade law and policy analysis with the aim of addressing the most pressing trade matters for countries in the region. Our research is presented in trade briefs, working papers and books, among others. [View more here](#).



Trade in the Digital Economy: a tralac collection

The trade-related benefits to be derived from the digitalisation of the economy are well known: digitalisation can enable e-commerce; reduce transaction costs; reduce barriers to cross-border trade; automate production, thereby improving efficiency and reducing costs; and improve logistics. In addition, digitalisation is transforming how we trade in services – from offshoring, to cloud services, to online outsourcing. E-commerce and digitalisation particularly offer opportunities for marginalised groups, such as young people, rural citizens and women to more easily engage in the economy – but policies are needed to ensure that access gaps are narrowed.

This volume brings together tralac's work over the past five years (updated where necessary) on the digital economy, e-commerce, information communication technology and related developments. We present data on the current state of the digital economy in Africa; identify some of the most important interventions for catch up; examine some of the key trade policy issues arising from digitalisation; and offer policy recommendations for making the most of this fundamental economic and social shift.

[VIEW THE E-BOOK ONLINE](#)



African Continental Free Trade Agreement – what can the AfCFTA add to trade liberalisation if the regional economic communities remain?

Willemien Viljoen

In 2018, only 15 per cent of Africa's exports were intra-Africa, of which most were exports among African countries which are members of the same regional economic communities (RECs). Given the importance of trade between existing REC member states, what can the African Continental Free Trade Agreement (AfCFTA) add to intra-Africa trade liberalisation if the RECs remain in place?

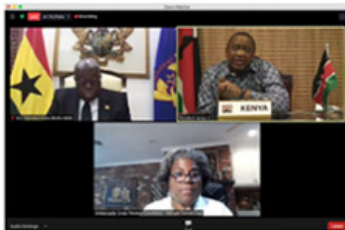
[View accompanying infographics here](#).



AGOA.info

African Growth and Opportunity Act

Latest AGOA News



Kenya 'raring to go' on free trade deal with US, Uhuru says



COVID-19: Africa and the United States to remain key partners, says President Kagame



Kenya: Plans to lift suspension on mitumba imports ban underway



Africa gearing up to finalize trade bloc while US eyes agreement with Kenya [Cal Chamber]



'South Africa must get ready for an inevitable loosening of trade ties with the US'



Details of US-Kenya FTA negotiating principles



Kenya, Ethiopia ahead of region in benefits of AGOA treaty



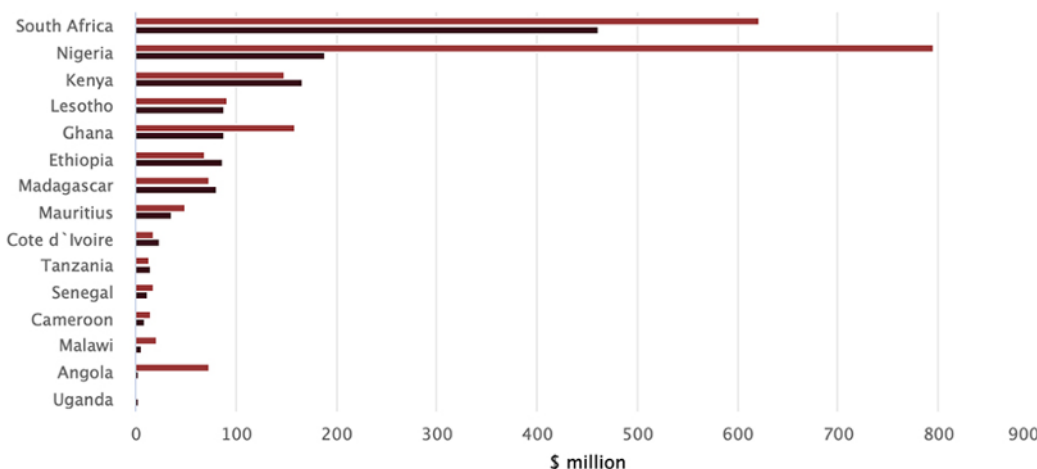
Kenya: Apparel firms ride on Corona battle

Key trade stats for AGOA beneficiaries to end April 2020

Aggregate exports to US: 2020 YTD to April: **\$ 5.77 billion (-3.27% year on year)**

(Share) of AGOA exports: 2020 YTD to April: **\$ 1.27 billion (represents 22% of total exports)**

Leading exporters under AGOA/GSP ytd to April 2020



Overall exports from AGOA beneficiaries to the United States are slightly lower in the period to April 2020 compared to the same time last year. These figures are influenced significantly by lower AGOA exports from Nigeria (mainly oil) and others. A number of exporters have however seen a year-on-year increase in exports under AGOA, including Kenya (currently the third-largest beneficiary), Ethiopia, Madagascar, Côte d'Ivoire, and Tanzania.

View more data [here](#).

