

Statement Delivered by H.E. Albert M Muchanga Commissioner for Trade and Industry at the Joint Virtual Meeting of the Bureaux of the African Ministers of Trade and AfCFTA Council of Ministers Held on 7th May, 2020

May 07, 2020

Honourable Ministers;
AfCFTA Secretary General;
Senior Trade Officials;
AUC Colleagues.
Good afternoon.

I warmly welcome you all to this meeting of the two bureaux of the African Ministers of Trade and the Council of Ministers of the African Continental Free Trade Area.

You have a focused agenda and to assist you execute it fully and timely, the Senior Trade Officials met and worked diligently on 5th May, 2020 to prepare a report that is before you.

We will introduce the items in the report as you go through the agenda before you.

By way of opening remarks, I would like to highlight a few issues.

First and foremost, the COVID-19 disease, an existential threat to humankind has upended the status quo in several respects. It is no longer business as usual. It is business unusual.

In this new state of affairs, our key weapon for survival is collective self-reliance, a concept very cardinal in the 1991 Treaty Establishing the African Economic Community.

Through collective self-reliance, we can operate the African Continental Free Trade Area as a single market for Africa when it is rolled out; anchoring it on trade in value added products.

In this connection, the COVID-19 disease notwithstanding, we must aim to finalize negotiations on rules of origin; schedule of concessions for trade in goods and schedule of specific commitments for trade in services.

We have prepared a roadmap for this which you will review. The African private sector has also come on board by suggesting a framework for virtual meetings which has been circulated to your good-selves, all African Union Member States, Regional Economic Communities and our strategic partners; namely, African Development Bank, African Export Import Bank, United Nations Economic Commission for Africa and United Nations Conference on Trade and Development with a request that we get feedback on these two documents by 12th May 2020.

Promoting increased intra-African trade in manufactured goods requires rapid growth of the African manufacturing and agro-processing sectors, driven by high quality and competitively priced products.

Both as a response to COVID-19 disease and the needs of the African Continental Free Trade Area, we need to expand and improve manufacturing and agro-processing activities across Africa.

The key operational elements in this direction are: collaboration among governments, the private sector and academia in research and development to promote product design and development; training; development of quality infrastructure; marketing; branding; logistics as well as; reliable transport and communication networks, among other levers of harnessing technological capabilities required to increase value addition in manufacturing and agro-processing for the AfCFTA market.

We are, against this background, organizing two key activities at the level of the African Union.

The first one is the African Union Summit on Industrialization and Economic Diversification, scheduled to take place this coming November in Niamey with the aim of coming out with follow-up activities that will give dynamism to the growth and resilience of African manufacturing and agro-processing.

With respect to the foregoing, my message to you Honourable Ministers, which will also be the same message to the Summit is that Africa has enough policies and strategies on industrialization and economic diversification, including export diversification. The task at hand is to move to the stage of developing competence and excellence in the actual operations of manufacturing and agro-processing across Africa.

The second key activity is the youth start up pavilion at the 2021 Intra-African Trade Fair which will attract 150 young entrepreneurs and match them with venture capital firms. Our objective is to make the pavilion a magnet to promote entrepreneurship among the African youth some whom can emerge as manufacturers or agro-processors who will not only contribute to increasing intra-African trade but also increase Africa's share of global trade as well as improve our trade balance which has historically been in the deficit as a result of our over-reliance on imported manufactured goods.

I would like to conclude my brief remarks with the matter of third party free trade agreements. It is an issue which is in the Treaty Establishing the African Economic Community.

Our collective resolve on this is twofold. The first one should be that third party free trade agreements should not derail implementation of the Agreement Establishing the African Continental Free Trade Area.

The second point is that some of the parties are coming up with what they call a model free trade agreement. The problem here is that the first African country to negotiate such a model free trade agreement will in effective pool the sovereignty of other African countries in the sense that those who come later will be told to just sign as it has already been negotiated as a model free trade agreement.

With these two issues in mind, I invite you all to take active interest in this matter and the template we have developed for your approval to safeguard both our pooled sovereignty and the African Continental Free Trade Area.

I will end here and wish this meeting a productive outcome.