

## STATEMENT BY H.E WAMKELE KEABETSWE MENE

THE AFCFTA SECRETARY-GENERAL TO COUNCIL OF MINISTERS  
RESPONSIBLE FOR TRADE

20 NOVEMBER 2020

- Honorable Minister Diatta, Chairperson of the Council of Ministers of the AfCFTA;
- The Bureau of the Council of Ministers;
- honorable Ministers;
- Your Excellences Ambassadors and High Commissioners,
- Distinguished Senior Trade Officials;
- Chief Negotiators;
- Ladies and Gentlemen

We are on the verge of yet another momentous occasion in the economic integration history of our continent, a time when we are preparing the commencement of trading under the Agreement establishing the African Continental Free Trade Area. Africa has confounded critiques. Under the leadership of the President of Niger, His Excellency President Mahamadou Issoufou, the Leader and Champion of the AfCFTA, 54 countries out of 55 have signed the Agreement Establishing the AfCFTA and to date, 30 countries have ratified the agreement. Africa owes a debt of gratitude to President Issoufou for his tireless effort to transform the AfCFTA from a vision of the great liberation struggle heroes, the towering pan-Africanists of our continent, into a reality.

I congratulate Cabo Verde and Angola for being the most recent state parties to the Agreement Establishing the AfCFTA, I also congratulate

Nigeria for approving ratification of the AfCFTA. I look forward to Nigeria depositing their instrument of ratification.

It is the season to fulfil the promise and deliver on the hope of the people of Africa and to show the world that Africa is willing and ready to work with us on the basis of a mutually beneficial partnership.

For long, the world has called us the continent of the future. I dare say the future is here with us, it is now or another series of lost decades of Africa being the future, but never fulfilling her potential.

At the height of the negotiations for the establishment of the African Continental Free Trade Area, in 2017, the nominal global GDP was \$80.7 trillion. This rose to \$84.8 trillion in 2018, the year we signed the Agreement establishing the AfCFTA. In 2019 it was about \$88 trillion with a growth rate averaging 3%. This year it has increased to \$90.5 trillion.

Where does Africa fall in this scenario? With a combined GDP of US\$2.5 trillion, an economically integrated Africa is potentially the 8<sup>th</sup> largest economy behind, (in ascending order) India, France, United Kingdom, Germany, Japan, China and the USA.

We can certainly do better than this; and reach far above the current \$2.5 trillion. Before the covid-19 pandemic, our continent had 7 of the fastest growing economies in the world, with the hope of lifting many out of poverty.

We are now plagued by the covid-19. This has disrupted all our economies with negative consequences, including contraction of GDP for the first time in 25 years, decline in exports and loss of employment among others.

This places a sense of urgency to implement the AfCFTA to lift us out of the economic downturn caused by the corona pandemic. Africa's economic recovery from the ravages of the pandemic will largely depend on acceleration of our industrial development objectives, in accordance with Article 3 of the Agreement Establishing the AfCFTA. In this regard, we have to collaborate with our industry and potential investors to identify priority value chains on the basis of which we can develop an action plan for the implementation of AfCFTA regional value chains, this is what Article 3 of the Agreement Establishing the AfCFTA requires the Council of Ministers to do.

The AfCFTA is more than a trade agreement, it is a development instrument. It is projected that when we successfully implement the Agreement we will lift about 100 million Africans out of poverty and we would:

- Boost intra-Africa Trade by \$35- 40 billion annually
- Increase value chain development - all sectors
- Enhance competitiveness of industry- economies of scale
- Reduce trade deficit by 50.6%
- Increase level of investment in various sectors- creating decent jobs
- Improve SME development and creation of employment.

Honourable Ministers, we should be in no doubt, difficult work remains to be done to make these positive projections a reality, these positive projections shall not materialise by chance, we shall have to double our efforts to implement the AfCFTA. Creation of awareness among the various stakeholders, improving the enforcement capacity of our customs authorities, the development of regional value chains, the active involvement of women and youth in the implementation of the AfCFTA; all

of this will be difficult work that will test our resolve. I am encouraged that with this week's productive meetings, some of the work has already started.

As we have said in the past, the implementation of the AfCFTA is more at the level of the State Parties and the RECs. In the next few months, we will be actively engaging you and the RECs so that together we see a successful implementation of the AfCFTA.

In this meeting, the outcome we should aim for is the adoption of the recommendations of the distinguished Senior Trade Officials on the start of trading and the consideration of the Draft Johannesburg Declaration on the Commencement of Trading.

Honourable Ministers, if there has ever been a better time for Africa, that time is now.

As I conclude, I wish to thank the government and the people of Ghana for hosting the Secretariat and for the world class facilities that have been provided to the Secretariat. From President Akufo-Addo to the ordinary person in the street, Ghana has fully supported the AfCFTA Secretariat. In this regard, I wish to inform you Honourable Ministers that going forward, we shall work closely with your Embassies and High Commissions here in Accra, to ensure that they play a critical role in the activities of the AfCFTA Secretariat.

I wish all of us successful deliberations.

