

Statement Delivered by

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Commissioner for Trade and Industry

African Union Commission

At The

Meeting of AU Ministers of Trade

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Opening Statement for the Meeting of AU Ministers of Trade

By H.E. Mrs. Fatima Haram Acyl Commissioner for Trade and Industry African Union Commission

- 1. Excellencies,
- 2. Distinguished Delegates,
- 3. Ladies and Gentlemen

On behalf of the Chairperson of the African Union Commission, Dr. NKOSAZANA DLAMINI-ZUMA, I would like to welcome you to this dedicated Meeting of AU Ministers of Trade and to thank you for your commitment in moving the CFTA process forward.

I would also like to thank the Senior Officials and trade experts from Member States for their hard work over the past 6 days in fine-tuning critical documents for the launch of the CFTA negotiations which is exactly a month away.

Excellencies, Distinguished Ladies and Gentlemen,

We are here today, in the last stretch, to come to an agreement on strategic principles that will guide negotiations leading to the establishment of the Continental Free Trade Area (CFTA), which is as you know, a flagship project of the African Union's Agenda 2063.

Since 2011 following the Kigali meeting, tremendous work by yourselves, your Commission and its partners, has gone into preparations for the forthcoming launch. That work led to demonstrating to our Heads of State and Government that the time was ripe for Africa to move its regional agenda forward, and hence in January 2012 the historic and bold decision was taken. That was possible because our leaders believe in the potential of the CFTA to unleash substantive benefits for Africa's socio-economic growth and development. Its establishment will significantly boost intra-African trade and investment, making it easier to move goods, services, and people around the continent. It will support

sustainable development, create jobs and empowering women, as well as strengthening the geopolitical position of Africa vis-à-vis the rest of the world.

Excellences, Distinguished Ladies and Gentlemen,

As we prepare for the CFTA negotiations, allow me to say that the Commission is fully cognizant of the diversity of Member States – some are landlocked countries, others small island developing states, a majority less developed economies, a number of fragile economies and others resources rich. All of them bring enriching attributes that are vital to the CFTA processes. But this diversity also brings with it some challenges in forging common positions – hence the purpose of negotiations. Trust me, the **CFTA** negotiations will not be easy, will consume enormous amounts of our energies, efforts and resources – financial, time and human. But with good will, nothing is impossible especially that there is no alternative option to reach our development objectives. I would urge that we engage in the common spirit of "Together as one

AFRICA" – where disagreements are tolerated, agreements can be struck and compromises can be made for the common and collective good without compromising the endearing unity that our continent so strongly needs.

You will recall that CAMOT 9, held in December 2014 agreed on the Institutional Arrangements for the CFTA negotiations and that Your Excellencies further directed that technical preparations be undertaken together with the mobilization of technical and financial resources to enable the Commission to facilitate the negotiations for the CFTA.

I am happy to announce that, in response to your request, the Commission has secured approximately US \$ 18 million for the period 2016-2017, excluding in-kind technical assistance from different Partners (the African Trade Policy Centre, the Trade Advocacy Fund, etc.)

We remain grateful to our generous partners who have stepped in to support this critical agenda.

Allow me to seize this opportunity however, to strongly urge Member States to support the establishment of the CFTA by making provision for resources for its negotiations. This must be an African owned and led agenda, and it does not reflect well for it to be entirely financed by our generous partners.

Excellencies, Distinguished Ladies and Gentlemen,

I would like to mention that, among the most important factors for the success of the CFTA are:-

- The diversification of our economy through inclusive and sustainable industrial development and value addition to our raw materials.
- Paying a particular attention to harmonize and support the standards and quality of our products for market access and enhancing their competitiveness.

 Moving forward with the implementation of the BIAT Action Plan, especially the cluster on Trade Facilitation as well as the WTO Trade Facilitation Agreement

Excellencies, Distinguished Ladies and Gentlemen,

I also believe that it is critical that we consider the establishment of the CFTA not in isolation, but within the context of ongoing developments around the globe. The multilateral trading system is changing. Many of the largest countries in the world, and Africa's most significant trading partners, are moving towards the establishment of Mega-Regional Trade Agreements (MRTAs). These include the Transatlantic Trade and Investment Partnership (TTIP), the Trans-Pacific Partnership (TPP), and the Regional Comprehensive Economic Partnership (RCEP). Research and the impact of these agreements on Africa: We will be better positioned and better off if we move to establish the CFTA as quickly as possible.

Since we last met, there have been important developments related to the reauthorization of AGOA as well. In January, a delegation led by the Honourable Minister of Lesotho travelled to the United States to lobby on AGOA. Just last month, a high-level delegation, which included Her Excellency the Chairperson, the Deputy Chair, and several Commissioners, including myself, met with Secretary of State John Kerry and Members of the US Congress, US Businesses and Civil Society, and of course the African Group in Washington, to further engage on this same agenda. I can tell you that currently a bill has been introduced to Congress, which includes an extension of 10, rather than 15 years, as we had requested. It also includes some new provisions towards improvements and some less favourable for some I believe it is critical that your meeting discuss and come up with a common understanding on this new bill.

As you are aware, this meeting also represents the last opportunity we may have to meet before the 10th WTO Ministerial Conference (MC10), set to take place in December in Nairobi. We rejoice that this event will be hosted in an African country. We should use this unique opportunity to strategize on the role of Africa within the multi-lateral trading system, including recent developments at the WTO. It is important that, as this will be the first WTO Ministerial Conference to be held on the Continent, Africa must come out with one strong voice and position on issues of critical importance to the continent, and that we do our best to ensure that this is one of the main outcomes of MC10.

Excellencies, Distinguished Ladies and Gentlemen,

While several important and unresolved issues remain after 5 days of thoughtful deliberations by Senior Officials and trade experts, it is your responsibility as Ministers of Trade to address the pending

issues, finalise the critical documents towards the launch of the negotiations and guide the June Summit accordingly through a draft decision and declaration.

Excellencies, Distinguished Ladies and Gentlemen,

I wish you all fruitful deliberations over the next two days and I thank you for your kind attention.

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