

# African Trade Week 2016

The Continental Free Trade Area and Trade Facilitation

(November 28 - December 2, 2016)

**Information NOTE** 

# **Background and Context**

1. The African Union (AU) has articulated, through Agenda 2063, a long-term framework for enhancing "an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the international arena." The Continental Free Trade Area (CFTA) was identified therein as the pillar for "accelerating progress towards continental unity and integration for sustained growth, trade, goods exchanges, services, free movement of people and capital." In September 2015, the United Nations (UN) launched a new development compact, the Sustainable Development Goals (SDG), with specific targets for eliminating extreme poverty. The SDG targets are aligned with Agenda 2063 through the Common African Position (CAP) an initiative adopted by AU Heads of State and Government in 2014 as a "Collective African Voice" to inform the SDGs development process. Similarly, African Ministers of Finance and Economy in March 2016, called for an integrated approach

to the AU and SDG agendas monitored through one consolidated result framework. There is now a consensus among African countries and the international community to use trade as a tool for economic transformation and poverty eradication

- 2. The African trade agenda is at a critical junction. All African sub-regions have engaged in negotiations for the Economic Partnership Agreements (EPA) with the European Union. On June 24, 2016, the United Kingdom, a major trading partner for several of these EPAs subregions, voted to separate from the European single market. This development adds a significant complication to the African trade agenda. Furthermore, discussions are scheduled to begin next year on the post-2020 relation between the European Union and the Group of African, Caribbean and Pacific (ACP) countries. The United States of America, in September 2015, extended the African Growth and Opportunity Act (AGOA) for 10 years during which reciprocal trade agreements will have to be negotiated. Other major African trading partners such as Japan, India, China and Brazil are contemplating enhanced trade and investment ties with the continent. Moreover, the WTO ministerial in Kenya concluded in December 2015 with a symbolic face saving small package. This is the continuation of a process that has slowly undermined the development agenda that Africa had painfully and successfully inserted in the Doha Development Agenda (DDA)). Finally, burgeoning mega-regional trade negotiations between the African region and major global trading partners is expected to significantly impact the African trade agenda.
- 3. Trade facilitation is vital to the region. Adopting the Trade Facilitation (TF) agreement in Bali in 2013 has had considerable consequences for African countries. Trade facilitation is projected to boost intra-African trade by between 10 and 16 per cent. Analytical studies indicate that the creation of the CFTA accompanied by more efficient customs procedures and reduction in delays at African ports can more than double intra-African trade within a decade. Likewise, implementing trade facilitation measures in coastal and transit countries can have positive spill over effects on hinterland countries. The positive externalities Trade Facilitation reforms and investments produces need to be viewed as a regional public good.
- 4. The Agenda 2063 10-year Implementation Plan amongst other important priorities for the continent includes several flagship projects. The CFTA is one of these projects as defined in AU Assembly Decision 394 of January 2012, on Boosting Intra-African Trade (BIAT) and fast tracking the establishment of the CFTA. Through the CFTA, intra-African trade is expected to double between 2012 and 2022, intra-African agricultural trade to triple by 2025 (Malabo Declaration of June 2014).
- 5. According to the Guiding Principles, the objectives of the CFTA are to be met through negotiating the CFTA and through accelerating efforts on industrial development to promote the development of regional value chains. Industrial development is pursued through, among others, the Action Plan for Accelerated Industrial Development for Africa (AIDA), the Action Plan for Boosting Intra-African Trade (BIAT), the Program for Infrastructure Development in Africa (PIDA) and the CAMI Work plan, which addresses supply side constraints to ensure that market integration, is beneficial to all countries
- 6. The CFTA architecture provides for the establishment of key institutions and organs including the African Trade Forum, the Trade Observatory and African Business Council to ensure effective implementation. In particular there is an important role for all stakeholders, including the private sector and civil society to play in implementing, monitoring and evaluating the BIAT/CFTA agenda. The Africa Trade week 2016 (ATW2016) will provide a Pan-African platform for promoting and enhancing multi-stakeholder trade policy advocacy

and dialogue consistent with the goals of the BIAT/CFTA. ATW2016 will achieve this goal by mobilizing diverse trade constituencies across Africa and around the world, to debate and exchange views on the continent's economic transformation through trade. Due to the importance of Trade Facilitation, the AUC has developed a "Trade Facilitation Strategy" which will be launched during the Africa Trade Week (ATW) 2016 to assist African countries in their implementation of TF Agreement.

7. The ATW2016 will be attended by high-level government officials, representatives from the private sector, civil society, academia, parliamentarians, Regional Economic Communities (RECs), industrial development, trade promotion, development partners, the media as well as trade facilitation support institutions and organisations. The event provides an ideal framework for stakeholder mobilization to harness the opportunities offered by the BIAT/CFTA agenda.

# **Objectives and Expected Outcomes**

- 8. The ATW2016 will be organized by the African Union Commission and the United Nation Economic Commission for Africa (UNECA), in partnership with the African Development Bank, the Africa Export-Import Bank. The ATW2016 will focus on the CFTA, with emphasis on trade facilitation, implementation as well as building productive capacities for industrialisation. The main objective of ATW2016 is to provide a comprehensive, integrated and inclusive platform for policy dialogue between various trade constituencies including public officials, parliamentarians, civil society and the private sector on Africa's current trade agenda. ATW2016 will provide networking opportunities through (a) a Business to Business Exchange program (B2B Exchange) for the private sector and through (b) an Exhibition of productive and trade capacity building programs. The specific objectives of ATW2016 are to:
  - a. Enable high-level exchange of views between African countries, regional economic communities and their international partners on how African countries can foster economic integration that nurtures social and economic structural transformation as mandated by Agenda 2063.
  - b. Facilitate a platform for RECs, member states and other stakeholders to exchange views on how to prioritize the CFTA as part of a coherent and consistent package that encompasses the multilateral and bilateral trade agenda as well as share experience for cross-fertilization on the CFTA negotiations and its effective implementation.
  - c. Provide a platform for African trade stakeholders to define their contribution to the CFTA as well as reflect on how their existing trade capacity building programs can be mobilized in support of the CFTA initiative.
  - d. Provide a platform for peer-to-peer learning among the private sector, based on best practices for private sector-led initiatives in support of Africa's structural transformation.
- 9. The expected outcomes of ATW2016 are to enhance the contribution of various stakeholders to the effective implementation of the CFTA and Agenda 2063. More specifically it will enable participants to (1) develop a clear understanding of the CFTA and the role it will play as a vehicle for increasing intra-African trade, poverty reduction and deepening integration; (2) establish a symbiotic linkage between the CFTA and trade facilitation, with a particular emphasis on trade facilitation as a key tool for ensuring successful implementation of the CFTA. More specifically, ATW2016 will aim at:

- a. Creating an agenda for effectively implementing the trade facilitation cluster of the BIAT;
- b. Building synergies, linkages and complementarities between the CFTA as well as the multilateral and bilateral trade agendas.
- c. Ensuring parliamentarians, private sector, and civil society have a better understanding of the CFTA and its coherence with the African structural transformation agenda.
- d. Creating a Pan-African platform to facilitate capacity development and harness parliamentarians, private sector and civil society contribution to the CFTA process.

#### Structure

- 10. ATW2016 will have three main segments. The first component the Africa Trade Forum (ATF) running from November 28 to 30 will focus on the CFTA and its implementation as the main theme. The ATF will encompass a combination of plenary, breakout sessions and side events on other African trade priorities. Each plenary session will be facilitated by a moderator, will have keynote speakers, followed by a high-level panel discussion by renowned practitioners and/or experts. Opportunities will be available for participants to field questions.
- 11. The second segment of ATW2016 will be a meeting of African Ministers of Trade on November 29-30. This segment is specifically for invited delegations only and will include a session for dialogue between stakeholders and ministers.
- 12. The third segment is the 2<sup>nd</sup> African Trade Facilitation Forum (ATTF). The ATTF will take place December 1-2 and will consist of a high-level policy dialogue on the implementation of the trade facilitation cluster of BIAT, including the WTO Trade Facilitation Agreement (TFA).

#### Proceedings

13. Selected papers presented during ATW2016, as well as other materials on issues considered during the Week will be available through the event website www.au.int/ATW2016

# Participation

14. ATW2016 will be attended by representatives from key trade constituencies in Africa and from around the world. These will include policymakers, high-level government officials, private sector operators, civil society, parliamentarians, development partners, academics, researchers, RECs, corridor management institutions and the media.

#### Exhibition

15. An exhibition providing a platform for the private sector as well as productive and trade capacity building programs to showcase successful and innovative projects will be an integral part of ATW2016. This segment will provide an opportunity for participants to learn about trade capacity building programs and trade policy research possibilities, papers and toolkits. The following programmes can be showcased: AUC CFTA support unit; ATPC; UNIDO, Afreximbank and other African Financial Institutions (ECO Bank, PTA Bank etc., PACCI, Sub-Regional Private Sector Apex Bodies (CBC, EABC, LLPI etc.), Private Sector, Sectoral Association (ACTIF, ACTESA, EAGC etc.), Continental and Sub-Regional Women in Business Associations (e.g. FEWA in Kenya), African Trade Insurance (ATI), TradeComII

Programme, Commonwealth Secretariat (Hubs and Spokes Programme, TBT Programme, CTA, TRALAC, TRAPCA, UNCTAD, TWN, ITC, the Global Alliance for Trade Facilitation), the AFDB and the WTO Technical Assistance Program.

#### **Breakout Sessions**

16. The breakout sessions are workshops that afford comprehensive exchange of views between stakeholders from each CFTA sub-regional configuration. Side events will provide the platform for consideration of other critical issues for African transformation and inclusive sustainable growth and development.

## Side Events

17. Side events will provide an opportunity to discuss and learn about a range of trade policy issues that complement the CFTA. Side events will be co-organized by partner organizations such as the ACP Secretariat, Third World Network Africa, the Hub and Spokes program, CUTS Africa, ODI.

## Venue and Date

18. ATW2016 will be held at the African Union Head Quarters in Addis Ababa, Ethiopia, from November 28 to December 2, 2016.

## **Registration and Logistics**

- 19. Participants will be required to register no later than October 31, 2016 online on the ATW2016 website <u>http://www.au.int/ATW2016</u> or fill the attached form and email to <u>ATW2016@africa-union.org</u>.
- 20. Institutions and organizations interested in the Exhibition or the B2B Exchange Program will be required to register no later than October 14, 2016 online on the ATW2016 website <a href="http://www.au.int/ATW2016">http://www.au.int/ATW2016</a> or complete the attached form and email to <a href="http://www.au.int/atw2016@africa-union.org">atw2016@africa-union.org</a>.
- 21. Additional information regarding the ATW2016 can be obtained by writing to the following:
  - a. At UNECA: Dr. Dominique Njinkeu, ATW2016 Manager <u>dnjinkeu@uneca.org</u> or Mr. Batanai Chikwene <u>bchikwene@uneca.org</u>.
  - b. At AUC: Mr. Chiza Charles Chiumya <u>ChiumyaC@africa-union.org</u> and Ms. Halima Noor Abdi HalimaN<u>@africa-union.org</u>

Africa Trade Week 2016

**African Union Commission** 

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- 22. Block hotel reservations will be made at selected hotels (<u>http://www.au.int/atw2016/hotels</u>) and those intending to take advantage of such reservations should indicate their preference at the time of registration. Participants are also free to make reservations with other hotels of their choice.
- 23. For participants coming from countries with an Ethiopian Embassy, introductory letters to the Embassy will be provided when registration is completed and accepted. All other registered participants coming from countries without an Ethiopian Embassy will receive their visas upon arrival. An *Information Note for Participants on Administrative Matters* will be made available before the commencement of ATW2016.