

## DECLARATION ON BOOSTING INTRA-AFRICAN TRADE AND THE ESTABLISHMENT OF A CONTINENTAL FREE TRADE AREA (CFTA)

**We**, the Heads of State and Government of the African Union, meeting at the 18<sup>th</sup> Ordinary Session of our Assembly in Addis Ababa, Ethiopia, from 29 to 30 January 2012, on the theme Boosting Intra-African Trade:

**Recalling** the recommendation of the Sixth Ordinary Session of the Conference of African Union (AU) Ministers of Trade on the need to fast track the establishment of a Continental Free Trade Area;

**Taking Note** of recent developments in the global economic, trading and financial systems;

**Aware** that Africa is one of the regions of the world with the lowest level of intra-regional trade, a factor which makes our continent particularly vulnerable to external trade and financial shocks;

**Concerned** by the current low level of trade between African countries and aware of the need to enhance Africa's productive capacities;

**Mindful** of the fact that enhanced intra-African trade and deepened market integration can contribute significantly to sustainable economic growth, employment generation, poverty reduction, inflow of foreign direct investment, industrial development and better integration of the continent into the global economy;

**Noting** that the African Union was established to achieve, among its main objectives, the acceleration of the attainment of the African Economic Community (AEC);

**Aware** of the numerous obstacles to the growth of Africa's intra and inter-regional trade;

**Commending** the Heads of State and Government of the Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), and Southern African Development Community (SADC) for their initiative to establish the Tripartite Free Trade Area (FTA) that will cover about half the membership of the African Union;

**Taking Note** of the Report and Resolution of the Seventh Ordinary Session of the AU Ministers of Trade Conference held in Accra, Ghana, from 29 November to 3 December 2011;

**Hereby:**

1. **REAFFIRM** our commitment to the acceleration and deepening of Africa's market integration;

2. **CALL ON** Member States, the Regional Economic Communities (RECs) and AU Commission to promote industrial development of the continent, and value addition with a view to diversifying economies and moving away from reliance on traditional export of commodities;
3. **ENDORSE** the Action Plan for Boosting Intra-African Trade and **REQUEST** the AU Commission, in collaboration with RECs, Member States, and development partners, to develop an implementation strategy for the Action Plan;
4. **CALL ON** Member States, RECS, the AU Commission and development partners to adopt the necessary measures towards the effective implementation of the Action Plan;
5. **REQUEST** Member States supported by the AU Commission and the RECs to drive the process of boosting intra-African trade and the CFTA negotiations through the implementation of the short, medium and long-term programmes and activities contained in the Action Plan at the national, regional and continental;
6. **DECIDE** that the CFTA should be operationalized by the indicative date of 2017, based on the framework, Roadmap and Architecture, with the following appropriate milestones:
  - Finalization of the East African Community (EAC)- the Common Market for Eastern and Southern Africa (COMESA)- Southern African Development Community (SADC) Tripartite FTA initiative by 2014;
  - Completion of FTA(s) by Non-Tripartite RECs, through parallel arrangement(s) similar to the EAC-COMESA-SADC Tripartite Initiative or reflecting the preferences of their Member States, between 2012 and 2014;
  - Consolidation of the Tripartite and other regional FTAs into a Continental Free Trade Area (CFTA) initiative between 2015 and 2016;
  - Establishment of the Continental Free Trade Area (CFTA) by 2017 with the option to review the target date according to progress made.
7. **REQUEST** the Commission, in collaboration with United Nations Economic Commission for Africa (UNECA), the African Development Bank (AfDB) and other relevant agencies, to take appropriate measures including studies, technical support to RECs and sensitization of Member States and partners, for the effective implementation of the CFTA Road Map;
8. **ENDORSE** the Framework, Road Map and Architecture for Fast Tracking the establishment of the Continental Free Trade Area (CFTA) and the Action Plan for Boosting Intra-African Trade, with the understanding that the High Level African Trade Committee (HATC) will provide a facilitating role and unlock any blockages

that might arise and **REQUEST** the Ministers responsible for the CFTA to report as appropriate to the Assembly, through the Executive Council on progress;

9. **URGE** Member States, RECs, development partners and other stakeholders to work closely with the AU Commission towards the realization of the objective of Africa's continental market integration.

