Pan-African Private Sector Trade and Investment Committee Brief

INVITATION TO REPRESENTATIVES OF THE MEDIA

When: Friday 19 October 2018 - 12H25-13H00

Where: Media Briefing Room1 – AUC Headquarters, Addis Ababa, Ethiopia


Objective: The specific objectives of the Committee include:

- Providing a platform for synthesizing and harmonizing the views of the African private sector on trade and investment issues, and to encourage a shared understanding of the benefits of trade and investment policies;
- Serving as a vehicle through which the views of the African private sector will be brought to bear on trade and investment policy issues at the Pan-African level, including its contribution to the African Union Conference of Ministers of Trade;
- Promoting dialogue on trade and investment matters between Governments and the private sector, in support of the growth of both extra- and intra-African trade and cross-border investment;
- Enhancing advocacy and supporting policy actions and recommendations of the private sector on trade and investment issues at the national, trade corridor, regional and multilateral levels;
- Assisting in mobilizing resources for trade and investment as well as on capacity-building that will enable the acquisition of skills and knowledge by the private sector in Africa with a view to dealing more effectively with trade and investment issues; and
- Facilitating research on trade issues, including extra-and intra-African trade flows, trade finance, technology, and the implications of trade and investment policies and measures on African economies and private sector development in Africa.

Participants: Commissioner for Trade and Industry, H.E. Amb. Albert M. Muchanga and the President of the Afreximbank, Dr. Benedict Okey Oramah

Background: The Pan-African Private Sector Trade and Investment Committee is an advocacy platform to support implementation of the African Continental Free Trade Area (AfCFTA), enhance African private sector participation in trade and investment policy formulation (including
negotiations and implementation of trade agreements), and to galvanize the views of the African private sector on the ground and transmit those to policy makers.

The initiative originated from a meeting organized jointly by the World Trade Organization (WTO) and the African Development Bank (AfDB) on “Trade Finance and Trade Facilitation in Africa”, held on 27th October 2010 in Tunis, where it was recognized that there was limited private sector participation and engagement in trade policy issues in Africa, particularly in trade policy making and trade negotiations. At this meeting, a consultative group (“the Working Group”) comprising of African Export-Import Bank (AFREXIMBANK), Ecobank Transnational Inc. (ETI or ECOBANK), International Trade Centre (ITC), and the Investment Climate Facility (ICF) was established and mandated to propose a framework for African private sector involvement in trade policy matters, including multilateral trade negotiations.

PAFTRAC was subsequently launched at an inaugural meeting in Accra, Ghana, on the 3rd of December 2011. Afreximbank was assigned the responsibility of providing temporary secretarial support to the Committee in furtherance of the goals of PAFTRAC. However, following the launch limited activity has taken place on the initiative.

With the recent rise in global trade tensions and creeping protectionism in the post-Doha round of trade negotiations, coupled with the negotiations towards the African Continental Free Trade Area (AfCFTA), the Economic Partnership Agreements with EU, the probability of expiration of AGOA in 2025, and other ongoing trade and investment negotiations; a Working Group that included Afreximbank, the African Union Commission, the International Trade Centre, Afro-Champions, Ecobank, the Pan-African Chamber of Commerce and Industry, and the African Development Bank spearheaded the revival of the initiative.

Membership of the Committee is drawn from leading private sector institutions and corporates across Africa, as well as from a range of continental and regional institutions, including: (i) Business organizations and traders with a significant continental footprint; (ii) Regional and sub-regional business associations and councils; (iii) Chambers of commerce; (iv) Industry associations; (v) Financial institutions; (vi) Professional, and policy research institutions; and (vii) Other relevant entities and strategic partners involved with trade and investment issues.

**Purpose:**

To ensure the success of the AfCFTA and other trade and investment agreements being negotiated and concluded, it is imperative that the private sector be engaged in their design, negotiation and implementation. The success of these agreements hinges on the private sector as the agreements are always secured for the private sector actors who are looked upon for the implementation. It is the private sector that are the direct investors of capital; that are the producers/manufacturers, marketers/distributors and consumers of goods and services. To this end, it is critical for the private sector to be involved in the negotiations, design and implementation of such agreements as they are the ones most directly affected by them. It is with this in mind that PAFTRAC is being reconstituted as a platform for organized private sector involvement in trade and investment issues.
PAFTRAC will therefore provide a framework to facilitate African Private Sector participation and engagement in trade and investment issues in Africa, including trade and investment policy formulation and trade negotiations in support of sustainable development of African economies in line with Agenda 2063. It is anticipated that PAFTRAC could serve as a stepping-stone toward the establishment of the African Business Council, which is envisaged under the AfCFTA Architecture.

Media representatives are invited to cover the Press Conference.

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