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AFRICAN UNION WILL LAUNCH OPERATIONAL PHASE OF THE AFCFTA AT SUMMIT IN NIGER

"It goes without saying that the most emblematic of the flagship projects of Agenda 2063 is the African Continental Free Trade Area, AfCFTA. The AfCFTA has the ambition..... in the final analysis, to establish a continental market. The idea goes back to 1963, with the establishment of an African Economic Community."– African Union Commission (AUC) Chairperson Mr Moussa Faki Mahamat, speaking at the official opening ceremony of the 35th Ordinary Session of the Executive Council in Niamey.

Niamey, Niger 4 July 2019- The African Union will launch the operational phase of the AfCFTA on the 7th of this month in Niamey, at an Extraordinary Summit of Heads of State and Government. Mr Moussa Faki Mahamat Chairperson of the AUC hailed the upcoming launch as a "remarkable" and "historic" achievement. The launch will be part of a series of statutory and technical meetings being held in the Nigerien capital from the 4th to the 8th, which also includes the 8 July first coordination meeting between the AU and the Regional Economic Communities (RECs).



The launch of the AfCFTA follows the coming into force of the trade area on the 30th of May, after the deposit of the required minimum of 22 ratifications by member states of the AU. Since then three more instruments of ratification have been deposited, bring the total number of countries that have ratified the AfCFTA to 25.

With the launch of the operational phase from July 2019, traders across Africa will be able to make use of preferential trading arrangements offered by the AfCFTA, with the understanding that the trade transactions are among the Member States that have deposited the instruments of ratification and those that conform to the provisions on rules of origin governing trade in the AfCFTA."

It is also expected that at the launch, to be held at Heads of State and Government level, "The Assembly will decide on the location of the secretariat of the AfCFTA which will have the principal function of implementing the agreement. Seven member states: Egypt, Eswatini, Ethiopia, Kenya, Ghana, Madagascar and Senegal have submitted bids to host the secretariat.

During his opening remarks, Mr. Mahamat also reiterated the commitment of the AUC to work in close cooperation with the Permanent Representatives Committee, to strengthen the implementation of programmes, and to take immediate measures to ensure the recommendations of the internal and external auditors are implemented and enforced.

On a broader level, the African Union meeting in Niamey is considering other issues under the institutional reform programme that will allow the Union to achieve the vision and goals of its Agenda 2063 development framework. In its two day session from 4th to 5th July, the Executive Council will consider and adopt the African Union's budget for 2020 and the legal instruments pertaining to the African Union Development Agency (formerly known as NEPAD), as well as reviewed the proposed new organisational structure of the AU Commission which is to be finalised by February 2020.

The Council will elect four board members of the African Union Advisory Board on Corruption (AUABC) and prepare the draft agenda and decisions for the 12th Extraordinary Assembly that will launch the AfCFTA. Additionally, it will discuss the scale of contributions to the AU Peace Fund. The Chairperson of the Commission announced that US\$120 million out of the expected US\$400 million for the Peace Fund has so far been received, and he expressed the Commission's appreciation to member states for their contributions.

The Executive Council will also review the preparations for the 1st mid-year coordination meeting between the African Union and the Regional Economic Communities (RECs). In line with the Institutional Reforms agenda which recommended the rationalisation of the number of meetings held by the AU, a decision was made to have one summit per year, and a coordination meeting mid-year, instead of the previous two summits per year, in order to ensure the efficient implementation of AU summit outcomes and decisions. As this will be the first such meeting, discussions will centre on the drafting of the rules of procedure, drafting proposals on the division of labour between the AU, RECs and member states, and revision of the protocol on relations between the AU and the RECs.

Today's opening ceremony was presided over by Mr Sameh Shoukry, Minister of Foreign Affairs of the Arab Republic of Egypt in his role as the Chairperson of the Executive Council, and was addressed by Niger's Minister of Foreign Affairs, Cooperation, African Integration and Nigeriens Abroad, Mr Kalla Ankourao. Their statements are available at <u>www.au.int</u>.

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