FAO AND THE AFRICAN UNION COMMISSION LAUNCH A GUIDE TO HELP COUNTRIES ENTER AFRICA’S NEW SINGLE MARKET

*Increased agricultural trade between African countries can drive sustainable development and play a pivotal role for the transformation of our food systems*

15 April 2021, Accra – The Food and Agriculture Organization of the United Nations (FAO) and the African Union Commission’s Department of Agriculture, Rural Development, Blue Economy and Sustainable Environment (AUC-DARBE) have launched a continental framework to boosting intra-African agricultural trade under the new African Continental Free Trade Area (AfCFTA) agreement.

The Framework for Boosting Intra-African Trade in Agricultural Commodities and Services is a blueprint for expanding agricultural trade between African countries and aims to unlock the potential of the agricultural sector to contribute to sustainable and inclusive growth for Africa. Increased trade represents a paradigm shift away from business as usual and is an important part of the collaborative work towards boosting food security and nutrition for all Africans.

“The Framework provides a timely catalyst for the structural transformation of agriculture and sustainable growth and prosperity in Africa. A key priority is the pursuit of industrial transformation policies and programmes that support the private sector to add value to African exports, compete with imports from outside Africa and expand opportunities for job creation,” African Union Commissioner for Agriculture, Rural Development, Blue Economy and Sustainable Environment Amb Josefa Sacko, FAO Assistant Director-General and Regional Representative for Africa Abebe Haile-Gabriel, and AfCFTA Secretariat Secretary-General H.E Wamkele Mene jointly stated in the publication’s foreword.

The Framework will help guide policy-makers and the private sector to develop AfCFTA implementation plans, with a specific focus on agriculture. Action areas include trade policy, trade facilitation, productive capacity, trade-related infrastructure, trade finance, factor market integration and cross-cutting issues including the strengthening of trade and market information systems.

**Turning commitments into actions**
The AfCFTA began trading on 1 January 2021 and is the largest free trade area in the world in terms of the number of countries covered. It represents a market of 1.2 billion consumers.

African countries have undertaken commitments to remove tariffs on 90 percent of over 5,000 tariff lines and to liberalise services. It is estimated that tariff liberalisation in the transition phase could generate welfare gains of USD 16.1 billion, and growth in intra-African total merchandise trade of 33 percent, up from 15 percent.

The AfCFTA comes after African nations’ 2014 commitment to triple intra-African trade in agricultural commodities and services by 2025 as part of the Malabo Declaration.

Africa is a net food-importing region of commodities such as cereals, meat, dairy products, fats, oils and sugar, importing USD 80 billion worth of agricultural and food products annually. A small share of Africa’s total agricultural trade is with other African countries. Intra-African agricultural trade is estimated to be less than 20 percent.

The Framework will help develop strategies, policies and programmes to promote intra-African agricultural trade and the development of agricultural value chains, so that stakeholders, including farmers, small to medium agri-businesses, women and youth, can reap the benefits of the AfCFTA single market.

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