

AFRICAN UNION
الاتحاد الأفريقي



UNION AFRICAINE
UNIÃO AFRICANA

Addis Ababa, ETHIOPIA P. O. Box 3243 Telephone: 251-115-517 700 Ext. 255

African Economic Conference 2018

“Regional and Continental Integration for Africa’s Development”

*3-5 December 2018
Kigali, Rwanda*

Goodwill message

H.E. Prof. Victor Harison

***Commissioner for Economic Affairs
African Union Commission***

Hon. Ms. Claudine Uwera, Minister of State in charge of Economic Planning, Ministry of Finance and Economic Planning;

Hon. Ms. Soraya Hakuziyaremye, Minister of Trade and Industry, Rwanda;

Ms. Giovannie Biha, Deputy Executive Secretary, UNECA;

Ms. Ahunna Eziakonwa, Assistant Administrator, UNDP Regional Bureau for Africa;

Mr. Gabriel Negatu, Director General, East Africa Regional Development and Business Delivery Office, AfDB;

Distinguished participants;

Ladies and gentlemen ;

On behalf of H.E. Dr. Moussa Faki Mahamat, Chairperson of the African Union Commission, I would like to thank H.E. Paul Kagame, the Government and people of Rwanda for the warm and fraternal welcome we have received since our arrival in this beautiful city of Kigali. Allow me as well to thank the UNDP, the UNECA as well as the AfDB for the excellent arrangements for the conference.

Honourable ministers ;

Ladies and gentlemen;

The diverse and varied profound changes around the world and in Africa itself underline the need for the continent to accelerate its integration process.

The launching of the African Economic Community (AEC) defined in the 1991 Abuja Treaty which largely guided the creation of the African Union in 2002 to replace the OAU founded in 1963, demonstrates the willingness of the African authorities to expedite Africa's progress towards economic and social integration, for an Africa showing unity and solidarity, speaking with one voice.

The Abuja Treaty is arguably the most important agreement in terms of collaboration and economic, social and political convergence in Africa. The integration process is expected to extend over a 34-year period from 1994 to 2028.

Since 1994, the African Regional Economic Communities (RECs) have played a key role in coordinating the implementation of the Regional Integration Action Plan. Today, whereas the various regional integration processes are in place, each proceeding at its own pace, the African Union and the RECs have been led to brainstorm the possibility of optimizing these processes in a way that offers the African Continent every chance of achieving integration as speedily as possible.

In this regard, several positive strides have been achieved in the area of integration. Some of the RECs have attained free trade areas (FTAs), while others have attained Customs Union status. On the other hand, the EAC is the only REC to launch the Common Market in 2010.

Some progress has also been registered in the area of free movement of persons with the introduction of regional passports, and other regional travel and insurance documents, notably in Economic Community of West African States (ECOWAS).

At the continental level, the recent signing of the Agreement establishing the African Continental Free Trade Area (AfCFTA) and the Protocol relating to Free Movement of Persons by the African Union Member States is a major step forward in the process of continental integration, based on regional achievements.

**Honourable ministers;
Ladies and gentlemen;**

While it is recognized that many achievements have been made and consolidated, RECs are moving at different speeds, which underlines the deep fault lines across the Continent. These facts call for many challenges in order to deepen regional and continental integration.

Challenges include (i) rationalization of RECs; (ii) phasing of national policy to regional policy; (iii) apparent disparity between commitments and delivery as an

evidence in non-implementation and sometimes slow ratification of certain protocols; (iv) prevalence of tariff and non-tariff barriers; (v) absence of pan-African financial institutions; (vi) lack of infrastructure requiring at least USD 130 billion in investment per year; and (vii) issues of peace and security that must be seriously addressed.

In addition, accompanying measures must be taken to achieve the objectives of the AfCFTA, including (i) investments in the creation of new productive capacities; and (ii) support of private initiatives for the development of the private sector.

On that note, I would like to draw your attention to the immense natural resources that Africa has: 60 per cent of the world's unused arable land, 12 per cent of the world's oil reserves, 40 per cent of the world's gold; etc.

However, we continue to import 68 per cent of the products we consume and only 30 per cent of our exports are manufactured products. The starting point for Africa is to exploit its comparative advantage offered by its natural resources, minerals and to transform its raw materials locally through industrialization development.

At the time of current agreements negotiations between African countries and partners, it is important for Africa to remember their potential impact on African integration.

From our major concerns, we come to ask ourselves the following question: How to ensure that agreements and partnerships with other partners in Africa do not negatively impact and undermine, for example, the implementation of the AfCFTA, the transformation of economies through industrialization, youth employment?

We must ensure greater coherence and commitment to integration in order to protect the political and economic interests of the continent as defined in Agenda 2063 and strengthen the cooperation between the member states and

RECs, RECs and RECs and RECs and AU. This subject will be at the heart of discussions during the first biannual coordination meeting of the African Union and RECs to be held from 30 June to 01 July 2019 in Niamey, Niger.

It is also important for Africa to strengthen the role of the private sector as the main strategic partner of African states in the process of integrating Africa. Given the central role of the private sector in development, the African Union, in the framework of Agenda 2063, devotes particular attention to creating an environment conducive to its growth and attracting investment in the Continent, notably through its "5% Agenda" campaign launched by the Chairperson of the African Union Commission which aims to mobilize Domestic Pension and Sovereign Wealth Fund Capital for Program for Infrastructure Development in Africa (PIDA) and other African Infrastructure Projects through Institutional Investor - Public Partnerships (IIPPs).

**Honourable ministers ;
Ladies and gentlemen ;**

I firmly believe that regional and continental integration is a necessary condition for Africa's integration into the global economy. We have to translate into action the commitments and give priority to community considerations.

In doing so, before concluding, allow me to put on record the Commission's appreciation of the governments of the AU member states that have signed and ratified the statutes and protocols of the various integration instruments. At the same time, I urge the member states who have not yet done so to follow the path of effective African integration.

Honourable ministers,

The AU reforms ideas were initiated in this city of Kigali under the leadership of H.E. Paul Kagame, President of the Republic of Rwanda. At the last AU Extraordinary Summit, we made crucial progress in this regard. I am convinced that it is no coincidence that this week's integration meetings are being held in

Kigali. I would therefore ask His Excellency to once again exercise his leadership in order to foster continental integration.

I would also wish to extend my appreciation of Africa's partners for their continued support on integration.

In conclusion, I wish you all fruitful debates that will lead to the formulation of innovative solutions to meet the challenges facing Africa, the continent of the future.

I thank you.