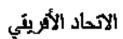
**AFRICAN UNION** 





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# SPEECH OF H.E. MOUSSA FAKI MAHAMAT CHAIRPERSON OF THE AFRICAN UNION COMMISSION

17<sup>TH</sup> EXTRAORDINARY SESSION OF THE ASSEMBLY ON INDUSTRIALISATION AND ECONOMIC DIVERSIFICATION AND THE EXTRAORDINARY SESSION ON THE AFRICAN CONTINENTAL FREE TRADE AREA (AfCFTA)

SESSION OF THE EXECUTIVE COUNCIL

NIAMEY, NIGER 23November 2022

Madame Chairperson of the Executive Council,

Distinguished Members of the Executive Council,

Madame Deputy Chairperson of the African Union Commission,

Honourable Ministers,

Representatives of the Diplomatic Corps,

**Invited Guests,** 

Ladies and Gentlemen,

The beautiful and cosmopolitan city of Niamey has beutified itself to welcome us on the occasion of the convening of this session of the Executive Council of our Union, enlarged, for the occasion, to include Ministers of Industry and Ministers of Trade.

This is an opportunity for me to express my deepest gratitude to the Government and the brotherly people of Niger for the quality welcome accorded as well as the excellent working conditions and of stay offered to us for the smooth running of our meeting.

I would also like to commend all the organisers who, at different levels and in their respective capacities, have carried out the appropriate preparatory work upstream, whose outcome is reflected in the working documents on which your Council will have to decide with wisdom and insight.

### Madame Chairperson, Ladies and Gentlemen,

Our meeting is being held in an international context, shaken up by a succession of crises, whose negative vibes still continue to affect our Continent. These crises had the particularity of exposing the fragile nature of our economies due to the weak capacity to respond to shocks, especially of an exogenous nature. Whether it is the outbreak of the COVID-19 pandemic and the various impacts or the explosion of the Russia-Ukraine crisis, Africa is, despite its many valiant efforts of resistance and proofs of remarkable resilience, going through the harsh experience of its strong dependence on the outside world.

Our leaders have taken the courageous and wise option to consider reducing this dependence significantly, through the acceleration of the process of industrialisation of the Continent. The expectations of the Continent are, on the one hand, a production of diversified manufactured goods and on the other hand a strengthening of Intra-African trade, which should facilitate the full and total operationalisation of the African Continental Free Trade Area, the AfCFTA.

## Madame Chairperson, Ladies and Gentlemen,

It is through the prism of these strategic considerations that the relevance of the theme of this 17<sup>th</sup> Extraordinary session of the Assembly of the Union is confirmed, of which your present session is the decisive preparatory segment. Industrialisation and Economic diversification are the two complementary poles of the same objective, whose attainment the AfCFTA is called upon to tackle head on.

### Madame Chairperson, Ladies and Gentlemen,

The stage at which the AfCFTA operationalisation process has reached is a source of satisfaction and pride. The establishment of the functional structure of the AfCFTA Permanent Secretariat was done in parallel with the launch of negotiations, under the First phase devoted to Trade in Goods and Services.

This phase, which was crowned with success, recorded, among other things, the commitment by the States Parties to eliminate customs duties on 97% of tariff lines and significant progress in issues related to Trade in goods, in particular Trade facilitation, Trade dispute settlement, Rules of origin, Non-tariff barriers and Institutional arrangements. This progress also concerns Trade in services, for which the States Parties have already submitted initial offers.

The Second phase of the negotiations has also witnessed remarkable progress. It covered the Protocols on Investment, Competition policy, Intellectual property Rights, e-Commerce and the participation of women and youths in trade.

During its First session, the Council of Ministers of Trade devoted itself to the consideration of some of these Protocols, whose first Draft is submitted for your consideration.

# Madame Chairperson, Ladies and Gentlemen,

This distance covered for the operationalisation of the AfCFTA, although very appreciable, highlights the major challenges that continue to be on the paths of

the future. These structural challenges relate to the sine qua non conditions for optimal functioning of the AfCFTA.

The major challenge here is to enhance trade between the countries of the Continent that are more externally oriented, through Agreements already signed, which manage the bulk of their trade. It is, therefore, a question of building the capacity to successfully transform our productive structures in order to increase the complementarity of Intra-African trade.

We should also ensure convergence by reducing the big gaps between Member States and between Regional Economic Communities in terms of development and level of integration. The Report on the State of Integration in Africa for 2022, prepared by the AU Commission, has highlighted the reality of such gaps.

#### Madame Chairperson, Ladies and Gentlemen,

This is a sample of the challenges to be taken up in order to make the AfCFTA an endogenous process capable of inducing the desired changes. It is desirable, in this respect, that the AfCFTA benefit from a supranational space that would enable it to drive the necessary reforms for horizontal diversification that develops the potential of our countries.

It is clear to your sagacity that these modest proposals are, at best, only a highlighting of the prerequisites for the success of the AfCFTA, already pointed out in the Report of the Council of Ministers of Trade of the AfCFTA, which is to be considered by your Council.

I am convinced that your deliberations will clear and lay the groundwork to take up these challenges so that we can maintain the logic of success that marked the First phase of the negotiations.

While wishing you fruitful deliberations, I thank you for your kind attention.