



Press release – N°196/2016

Commissioner Acyl stresses the need for Member States and Stakeholders to come together in order to achieve the structural transformation of Africa



Addis Ababa, Ethiopia - 23 May, 2016 – The Ministerial Session of the First AU Specialized Technical Committee on Trade, Industry and Minerals (STC-TIM), commenced on 23 May at the African Union Commission (AUC) Headquarters in Addis Ababa under the theme: “Promoting Regional Integration through Trade and inclusive and sustainable Industrialization in Africa”. The STC-TIM is set to provide technical guidance to the Policy Organs of the African Union, to ensure implementation of agreed programs and projects as well as establish synergies, linkages and complementarities in the areas of Trade, Industry and Minerals in line with the AU Agenda 2063 and its Ten Year Implementation Plan. The Meeting will bring together AU Ministers responsible for Trade, Industry and Minerals, and their relevant Senior Officials, Regional Economic Communities and Collaborating Institutions as Observers.

The rationale behind the creation of the Specialized Technical Committee on Trade, Industry and Minerals is to make trade, industry and minerals policies work in a coherent manner to ensure Africa’s structural transformation. The issues of Trade, Industrialization and the effective use of Africa's natural resources, including its Mineral Resources, lie at the heart of the continent's development agenda.

In his statement, Mr. Jean Bakole, the Regional Director of the United Nations Industrial Development Organization (UNIDO), commended the Commissioner for Trade and Industry of the African Union Commission, H.E. Mrs. Fatima Haram Acyl for the achievement of Department under her leadership since her election in 2012. He noted that the promotion of

inclusive and sustainable industrial development (ISID) constitutes UNIDO's response as a means to harness the potential of industry's contribution to the achievement of sustainable development and prosperity for a growing share of the youth population. According to Mr. Bakole, it is imperative to boost Intra-African Trade. "This implies accelerating industrialization through promotion of regional value chains. Trade promotion is among the critical components of industrialization, it also plays a fundamental role in the structural transformation of the economy", he emphasized. To conclude, the Regional Director of UNIDO urged Member States to develop appropriate policies to foster regional integration and boost Intra-African Trade and infrastructure. "In this regard, UNIDO is a major supporter of the implementation of the African Continental Free Trade Area (CFTA) as it is a critical enabler for an industrializing Africa", he announced.

Dr. Stephen Karingi, Director Regional Integration and Trade Division at the United Nations Economic Commission for Africa (UNECA), underscored the fact that UNECA's analysis shows that Africa imported at an estimated \$87 billion worth of services from outside Africa and if barriers to trade are reduced in trade in services between African countries, Africa may be able to capture that business increasing the integration of its economies through higher cross-border flows of services within the continent. "Analysis done by UNECA suggests that a Continental Free Trade Area in goods alone would lead to an increased Intra-African trade of around \$55 billion or 60% of its current level. If this is complemented by Africa taking trade facilitation measures that reduce trade costs by half, these increases would be even greater", he specified. He finally commended Members States for the Tripartite Free Trade Area arguing that the Tripartite as a whole would see its welfare rise and would also remove all tariffs.

In her opening statement, the Commissioner for Trade and Industry of the African Union Commission, H.E. Mrs. Fatima Haram Acyl thanked Senior Officials for having demonstrated during the last few days, high commitment and expertise in assessing progress made on CFTA negotiations, on Quality Infrastructure, on the implementation of other continental strategies in the sectors of Trade, Industry and Minerals as well as on customs and trade facilitation issues. She informed the Ministers that Senior Officials have also discussed World Trade Organization (WTO) and African Growth and Opportunity Act (AGOA), issues that have a definite impact on Africa's trade with the rest of the world and if utilized properly can increase Africa's domestic capacities. Commissioner Acyl acknowledged the progress made by the CFTA Negotiating Forum on the Rules of Procedure for the CFTA negotiating Institutions, the definition of guiding principles for the negotiations and formulated important recommendations. "It's time to move forward our Agenda. Africa can no longer wait. The world is watching. It is our responsibility as Member States, Regional Economic Communities and Cooperating and Development Partners to overcome our differences and effectively work together in order to positively impact our people's lives" she urged. In conclusion, she thanked all stakeholders, cooperating and development partners for their continued efforts to support the implementation of key Departmental frameworks. She announced the launch of the Trade Facilitation website (<http://www.tfa4africa.com>), which she said, will be of great assistance to our Member States in their trade facilitation activities, including the implementation of the WTO Trade Facilitation Agreement. With regards to the Institutionalization and hosting of the African Minerals Development Centre (AMDC), Commissioner Acyl pointed out that a lot of interest has been expressed by Member States. "We hope that by the next Summit the AMDC will finally find a permanent location", she indicated.

The key recommendations from the STC will be submitted for approval at the upcoming Summit in July in Kigali, Rwanda for the necessary political endorsement.

Contact:

Tarana Loumabeka, Senior Trade Policy Officer – Email: LoumabekaT@africa-union.org

Media inquiries:

Mrs Wynne Musabayana | Deputy Head of Division | Information and Communication Directorate | African Union Commission | Tel: (251) 11 551 77 00 | Fax: (251) 11 551 78 44 | E-mail: MusabayanaW@africa-union.org | Web: www.au.int|Addis Ababa | Ethiopia

Mr. Patient Atcho, Department of Trade and Industry of the AUC, Tel: +251 911335250, Email: atchop@africa-union.org

For further information:

Directorate of Information and Communication | African Union Commission | E-mail: DIC@african-union.org | Website: www.au.int | Addis Ababa | Ethiopia

Follow us

Face book: <https://www.facebook.com/AfricanUnionCommission>

Twitter: https://twitter.com/_AfricanUnion

YouTube: <https://www.youtube.com/AUCommission>

Learn more at: <http://www.au.int>