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## **AfCFTA PRESS BRIEFING**

**Date: 9/7/2021**

**HOST: H.E. WAMKELE MENE**

**MODERATOR: GRACE KHOZA**

### **Objectives:**

1. To enhance public's understanding of AfCFTA 's mandate – the Advocacy role
2. To communicate on AfCFTA's status report; policies, outcomes on strategic meetings, missions' achievements, strategic bilateral outcomes
3. To communicate upcoming events
4. To provide a platform of engagement between AfCFTA and the media
5. To build a sustainable and visible Brand presence of AfCFTA in the public

### **Key messages:**

1. AfCFTA has been in operational since date of trade 1 January 2021
2. We exist to build the World's largest Free Trade Area

**Status report:**

- The number of ratified countries increased to 40 with the recent ratification of Zambia, Malawi, Algeria and Burundi.
- All the implementation and negotiations institutions structures have been established in accordance with the agreement including standing committees for phase two matters.
- Established and operationalized the Dispute Settlement Body in accordance with the dispute settlement protocol.
- Final stages and preparations are underway to launch the AfCFTA adjustment facility to mitigate the possible negative impact on revenues resulting from the implementation of the AfCFTA agreement.
- Launched the pilot phase for the Pan African Payment Settlement System in cooperation with AfriXembank to reduce the relying on foreign exchange while trading under the AfCFTA.
- Executed two-month intensive work program perusing the June deadline which witnessed the following progress:
  - 41 submissions of offers for schedules of tariff concession.
  - percentage of the agreed rules of origin Increased from 81% to 86.2%
  - the following Trade Documents have to be produced and circulated by all State Parties: (AfCFTA Certificate of Origin, AfCFTA Origin Declaration, AfCFTA Supplier or Producer's Declaration, Supplier or Producer's Declarations, AfCFTA Transit Documents, AfCFTA Certificate of Approval of Means of Transport, AfCFTA Certified Declaration Form for Examination of Contents of Means of Transport, AfCFTA Transit Plates.
  - number of meetings culminating in setting up of CTiG and sub-committees as per the adopted 9 annexes and prepared documentation for the setting up of Committee on Trade in

Goods (CTiG) and sub-Committees on Rules of Origin, Sanitary and Phytosanitary Measure (SPS), Technical Barriers of Trade (TBT), Non-tariff Barriers (NTBs), etc. In addition, the Secretariat has prepared Draft TORs which have been considered and adopted including work programme for CTiG and sub-committees. The CTiG and sub-committees have met severally and achieved tremendous progress. Also, the AfCFTA Non-Tariff Barriers Reporting, Monitoring and Eliminating Mechanism has been established and is operational.

- Started the technical studies and discussions for regulations governing the infant industries *and special economic zones*.
- Secretariat is in receipt of 42 tariff concessions – representing 76 % of AU membership; submissions from 4 Customs Unions: East African Community (EAC), the Economic and Monetary Community of Central Africa (CEMAC), the Economic Community of West Africa (ECOWESA), plus Mauritania, and the Southern African Customs Union (SACU). The remainder of the Member States are still working on their offers and are at an advantage stage of submissions
- As per AU Assembly decision in December 2020 trade commenced as of 01 January 2021 – on the basis of legally implementable and reciprocal Tariff Schedules and Concession, agreed Rules of Origin and Customs Documentation
- Thus far the AfCFTA Secretariat has technically verified all submitted offers to ensure that they are in line with the Summit's adopted modalities
- 28 Offers have been certified having met the 90% of the tariff lines: Democratic Republic of Congo, Egypt, Madagascar, Malawi, Mauritius, Seychelles, Zambia, Gabon, Cameroon, Central African Republic, Chad, Republic of Congo, Equatorial Guinea, Benin, Burkina Faso, Cabo Verde, Cote d'Ivoire, The Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo

**Way forward:**

- AfCFTA Secretariat to continue to engage Eritrea to ratify and sign the Agreement
- Encourage members of Customs Unions that submitted their schedules collectively as part of regional blocs to ratify and deposit their instruments of ratification of the Agreement before a specified timeline
- The Secretary General to continue engaging those who have not as yet ratified
- Work with State Parties and non- State Parties and Customs Unions to submit their initial offers in line with the decision of the Assembly of Heads of State and Governments
- Need to urge all State Parties to finalize bilateral negotiations over the Sensitive Products and List of Exclusions in order to submit the final Schedules of Tariff Concessions as required by the AfCFTA Agreement.

**Upcoming events:**

- First meeting of competition committee
- Continuation of trade in goods committee meetings
- Workshop/ forums focusing on textile and auto motives

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**Negotiations on Phase 2 Issues:**

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**1. Investment -**

- Committee has been established
- ToRs have been adopted by the Council of Ministers
- Upcoming - Currently organizing 3 regional stakeholder consultations across the continent to inform all the stakeholders including the private sector, government and civil society among others, and to seek their views on the content for the planned protocol on Investment

**2. Intellectual Property rights**

- Committee has been established
- ToRs have been adopted by the Council of Ministers
- The Secretariat has been working on a questionnaire to assess the capacity needs of State and non-State parties.

**3. Digital Trade**

- Committee has been established
- Upcoming - Organizing stakeholder consultations to brainstorm and seek their views on the content for the planned protocol on Digital Trade.

**5. Women and Youth in Trade**

- Preparations for 2 Women and Youth in Trade Conferences are underway, where the voices of both groups can be heard and taken into account, in the development of a relatable Protocol on Women and Youth.

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**Advocacy and Stakeholder Engagement Programme; Missions updates:**

- Egypt
- Nigeria
- Tanzania – Her Excellency Madame President Samia Suluhu Hassan Champion of Women in Trade
- DRC
- Angola

The overall objective for all these Mission visits is to:

1. Enhance relationships between the Secretariat and Heads of States, Foreign Affairs Ministers and Trade Ministers
2. Engage respective stakeholders to advocate and educate on the AfCFTA Agreement (organised business, labour, academics)
3. Engage all affected parties- whilst
4. Use the opportunity to create platforms of communication with Youth and Women Stakeholders
5. Position the Brand

**Past significant events/ meetings**

- Development of a Trade and Industrial Development Advisory Council & Academy – in partnership with the Nelson Mandela School of Public Governance at UCT
- Enhancing the relevance of the Automotive Industry (AAAM); the Pan African Auto Pact vision fast track development of the automotive industry

**Upcoming events:**

- **CUSTOMS:** Meeting of ministers responsible for trade and Customs for Benin, Cote D'Ivoire, Ghana, Nigeria and Togo to discuss trade facilitation, customs cooperation and transit along the Abidjan – Lagos corridor: July 2021
- **Honouring AfCFTA Champion:** Unveiling of His Excellency Issoufou Mahamadou – former President of the Republic of Niger Statue unveiling on the 16<sup>th</sup> July 2021
- **Upcoming Inaugural and annual Youth & Women in Trade Conference** in August 2021
- **AfCFTA Business Forum 2021 – October 2021 – further details in our next Press Briefing**
- **Intra – African Trade Fair (IATF 2021) – 15- 21 November 2021; Durban – South Africa – further details in our next Press Briefing**