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Statement by Ambassador Albert M. Muchanga

African Union Commissioner for Trade and Industry

Delivered at the 51st Joint Advisory Group (JAG)

Meeting of the International Trade Centre Held at the

World Trade Organization, Room S1

Geneva, 10th July 2017

Our Gracious Hostess, Ms. Arancha González, Executive Director of the International Trade Centre,

Your Excellency, Dr. Isatou Touray, Minister of Trade, Industry, Regional Integration and Employment of The Gambia,

Your Excellency, Ms. Frances Mary Lisson, Ambassador, Permanent Mission of Australia to the World Trade Organization and Chair of the 51st Session of the Joint Advisory Group Meeting,

Your Excellency, Mr. Negash Kebret Batora, Ambassador, Permanent Mission of the Federal Democratic Republic of Ethiopia to the United Nations Office and other International Organizations in Geneva and Chair of the 50th Session of the Joint Advisory Group Meeting,

Your Excellency, Mr. Mukhisa Kituyi, Secretary-General of the United Nations Conference on Trade and Development (UNCTAD),

Your Excellency, Mr. Roberto Azevêdo, Director-General of the World Trade Organization (WTO),

Your Excellencies Ambassadors and Heads of Mission here present,

Distinguished Delegates,

Ladies and Gentlemen.

We greatly appreciate your invitation, Executive Director Gonzalez, to the 51st Session of the Joint Advisory Group meeting of the International Trade Centre.

The International Trade Centre has done commendable work in the development of the competitiveness of African export products. We thank you most sincerely for your efforts in this area.

When congratulating a child, we also recognize the contribution of parents.

In this connection, the United Nations Conference on Trade and Development and World Trade Organization are to be congratulated as good parents of the International Trade Centre. Over the years, successive managements of these multilateral

organizations have fully supported the International Trade Centre and we appreciate this with immense gratitude.

Your Excellencies,

Madame Arancha Gonzalez is the second female Executive Director of the International Trade Centre since its inception. In the spirit of gender equality and women's empowerment, it is my hope that successive Executive Directors of the International Trade Centre, will, in the next forty- seven years, be female, so that our esteemed organization will also be celebrating the triumph of gender equality in its leadership when it celebrates its first hundred years of existence in 2064.

Talking about gender equality and women's empowerment leads me to observe that the interventions of the International Trade Centre in this area were among those registering the lowest rates of performance as revealed in its latest report. As African Union Commission, we shall be keenly monitoring the corrective measures to be taken by the International Trade Centre and the Joint Advisory Group on the low score because we are in the process of recruiting a consultant to assist us mainstream gender in the establishment of the Continental Free Trade Area.

We will strive for high impact positive results in this intervention and it is for this reason that the insights and lessons of experience of other organizations working in the same field will be critically monitored, studied and domesticated.

We would also like to point out that we are impressed with the estimates of the International Trade Centre of the value of 685 million United States dollars of international business transactions generated through its interventions in 2016 alone. This shows good results on the ground that are positively impacting on the bottom line of its clients, the private sector, and, in the process, contributing to the development of international trade. This is, as it should be.

The International Trade Centre should, therefore, be commended for the positive impact that it is having on the ground, far from the meeting rooms and negotiating halls of Geneva. It is this real life impact in terms of business transactions involving our female traders, young entrepreneurs and the private sector in general, that gives credibility to the legal, policy and political frameworks of the multilateral trading system.

Your Excellencies,

We are moving in the right direction and at the right pace in the establishment of the Continental Free Trade Area by December this year. The just ended Summit of the Assembly of Heads of State and Government of the African Union reaffirmed commitment towards this deadline and further committed to providing us with all the political and financial support that we will need to accomplish the task. I will come back to this issue towards the end of my brief address.

At this stage, I am sure that you will be happy that I share with you, some of our initiatives that have a direct bearing on the work of the International Trade Centre.

Before I do that, allow me to point out that we are happy that the work of the International Trade Centre has direct impact on ten of the seventeen United Nations Sustainable Development Goals 2015-2030. The African Union Agenda 2013-2063 is fully aligned to the United Nations Sustainable Development Goals. In this regard, your work on the UNSDGs also significantly contributes to the realization of the goals and aspirations of the African Union Agenda 2063.

African countries through the African Union Agenda 2063 have committed themselves to embark on a journey for the structural transformation of the economies of the continent. The work of the International Trade Centre addresses some issues that are relevant to the the structural transformation of our economies.

I looked through the latest report of the International Trade Centre and I was struck with how relevant some of the activities of the International Trade Centre are to the African Union's trade and industrial development agenda.

Your work and approach to the development of SME export capacity and the potential benefits that the African private sector can benefit from this are of direct relevance to our work.

We are in the process of finalizing the Pan African SME strategy which we shall submit to Ministers this coming October for their consideration, endorsement and recommendation to the January 2018 Assembly of the African Union Heads of State and Government for adoption. I am sure we shall find room for collaboration in this key segment that is vital to boosting intra-African trade and competitiveness once we have an enabling document.

The International Trade Centre is also working directly with us at the African Union Commission on two projects which will be of great benefit to us and our member states.

The first one is the establishment of an African Trade Observatory. Building on the strength of the International Trade Centre in the collection, analysis and dissemination of trade data, the African Union Trade Observatory aims to establish a modern platform for the collection, analysis and dissemination of African trade data and feed it into our trade policy processes, thereby improving the quality of decision making by policy advisors and policy makers involved in the development of intra-African trade.

In addition, the International Trade Centre is providing support to us in the establishment of the African Business Council. The African Business Council will be a private sector platform for dialogue with us in policy making at the continental level on issues of interest to the private sector, including the Boosting Intra-African Trade agenda. Through the African Business Council, we aim at mainstreaming the participation of the private sector in the work of the African Union. As we create a large and integrated market through the Continental Free Trade Area, the private sector, from both Africa and outside will be a vital source of ideas on how to create and sustain a progressively conducive

environment for business development across the continent. This will, in turn, stimulate investments that will be required to exploit this market space and generate jobs, structural transformation and broad-based prosperity.

Your Excellencies,

Allow me as I conclude to provide a short update on the state of the negotiations on the establishment of the Continental Free Trade Area in Africa.

His Excellency, Mahamadou Issoufou, President of Niger and Champion of the Continental Free Trade Area (CFTA) Process, hosted meetings of the CFTA Negotiating Forum, Senior Trade Officials and African Union Ministers of Trade from 5th -16th June, 2017 in Niamey, Niger.

The meetings were successful, with important outcomes in a number of key areas.

The African Union Ministers of Trade were able to agree on modalities for the liberalization of intra-African trade in goods and services.

The trade in goods modalities will determine the overall ambition as well as the speed with which our countries will eliminate tariffs and other taxes currently applicable to the products which we import from each other.

At the same time, the Trade modalities provide sufficient flexibilities and length of time for member states to adjust and implement the significant commitments they will be undertaking under the CFTA.

In addition, the Ministers were also able to adopt modalities on trade in services liberalization that provide a basis for the liberalization of trade in the services sector among the CFTA member states, as well as a basis for future regulatory cooperation, in line with their agreed commitments.

In addition to this, Ministers also considered and adopted a road map and schedule to enable us conclude the negotiations by December this year, in line with the decision of the Assembly of Heads of State and Government of the African Union. As I stated earlier, the Assembly endorsed this position by reaffirming commitment to conclude negotiations by this December.

May I repeat that so far, the CFTA negotiations are moving in the right direction and at the desired pace. We are confident of establishing a commercially viable CFTA by December this year.

However, more work regarding the CFTA begins immediately after negotiation of the final draft legal text and annexes, signing, ratification and coming into force. Implementation of the agreement will require resoluteness and mutual accommodation among member states and in the process, enable us do what is right for Africa.

Going forward, we will need even greater support of the International Trade Centre and its partners in helping African firms boost intra-African trade as well as penetrate markets in other parts of the world in the framework of the Continental Free Trade Area.

As already outlined, there is a lot of scope for collaboration between Africa and the International Trade Centre on gender equality and women's empowerment, SMEs and the private sector in general. We can build on the ongoing support by targeting at integrating our firms more effectively into global and regional value chains. This will also help to address the Sustainable Development Goal of significantly increasing the

exports of developing and the least developed countries in global trade.

I will conclude by calling on all partners of the International Trade Centre to continue supporting the work of this vital institution in international cooperation in the fields of trade and sustainable development.

I thank you all, very much ,for your kind attention.