

OPENING REMARKS
BY
HIS EXCELLENCY (H.E.) WAMKELE MENE
SECRETARY GENERAL, AfCFTA SECRETARIAT

ON THE OCCASION OF THE COMMERCIAL LAUNCH OF THE PAN-
AFRICAN PAYMENTS AND SETTLEMENT SYSTEM (PAPSS)

KEMPINSKI GOLD COAST CITY HOTEL

ACCRA, GHANA

13 JANUARY, 2022

- Your Excellency, Dr. Mahamadou Bawumia, Vice President of the Republic of Ghana, Representing President Akuffo Addo;
- Your Excellency Olusegun Obasanjo, Former President of the Federal Republic of Nigeria;
- Your Excellency Mahamadou Issoufou, Leader and Champion of the AfCFTA, Former President of the Republic of Niger;
- Honourable Jean Lucien Bussa Tongba, Minister of External Trade, representing H.E Felix Tshisekedi Shilombo, President a of Democratic Republic of Congo and Chairperson of the Assembly of Heads of States & Government of the African Union;
- Honourable Ministers representing Heads of States & Government;
- Professor Benedict Oramah, President and Chairman of the Board of Directors of Afreximbank;
- Honourable Ministers present;
- Mr. Godwin Emefiele, Governor of the Central Bank of Nigeria, and Chairman of the PAPSS Governing Council,
- Governors of African Central Banks;

- Mr. Solomon Quaynor, Vice President of the African Development Bank, representing President Adesina;
- Representatives of Private Enterprises and Civil Society Organisations;
- Members of the Media,
- Distinguished Ladies and Gentlemen

Good Morning

1. The great liberation struggle heroes of our continent, over 60 years ago had a vision of an integrated market in Africa, today are rejoicing because the dream of an integrated Africa is becoming a reality in our lifetime. How fitting it is therefore, that the commercial launch of the Pan-African Payment and Settlement System (PAPSS) is taking place here in Ghana, a country that has always been at the intellectual and philosophical vanguard of Pan-Africanism.
2. This project is a pioneering effort at achieving a pan African payments and settlements system which will enable Africa to reduce reliance on third currencies, and more importantly, it has the potential to significantly boost intra-Africa trade.
3. I take this opportunity to commend Professor Benedict Oramah, President and Chairman of the Board, and the Board, of the Africa Export-Import Bank (Afreximbank) for leading the effort to turn the vision which we have talked about for many years, into a reality.
4. I would also like to offer special thanks to the Finance Ministers, and Governors of Central Banks in the West African Monetary Zone for their support and cooperation in the piloting of PAPSS.

5. Following this successful piloting of the system, the AfCFTA Secretariat will continue to strongly support Afreximbank, as PAPPS is being rolled-out to the rest of the Member States of the AU in order to reduce the cost of cross-border payments and to boost intra-Africa trade. In this regard, myself and Professor Oramah will provide a progress report to the Assembly of Heads of States and Government when they convene for their summit on 5-6 February 2022. This should provide political impetus to ensure that all Members of the AU switch onto PAPPS.

Excellencies, Distinguished Ladies and Gentlemen

6. Our continent has, for the last two years, borne the brunt of the challenges of the Covid-19 pandemic, that led to border closures and restrictions, logistical difficulties that have disrupted trade and economies.

7. In the midst of this, our Heads of States took the bold decision to commence trading under the very difficult conditions that were caused by Covid-19. Since the commencement of trading under the AfCFTA began on 1 January, 2021, significant improvements were recorded in other key aspects of the implementation of the agreement, including:

- an increase in the number of AfCFTA State parties from 35 (64%) in December 2020 to **39** (73%) at the end of last year;
- improvement in the agreement on the AfCFTA rules of origin from 81.8% to 88.6%;
- activation and operationalisation of the Dispute Settlement Body (DSB), a key pillar in the successful implementation of the agreement, in April. The Appellate Body is also being constituted;

- successful hosting of the second edition of the IATF in Durban, South Africa, in November 2021, where a record US\$ 42.1 billion trade and trade-related deals were agreed;
 - Continuation of preliminary work on the phase II negotiations covering Protocols on Intellectual Property, Investment, Competition Policy, Digital Trade (e-commerce), and Women and Youth in Trade.
8. All the above is testament to the fact that momentum to implement the AfCFTA Agreement – one of the flagship projects of Agenda 2063 – to achieve an integrated, prosperous and peaceful Africa, is on course. With launch of the PAPSS – a critical tool of boosting intra-Africa trade – the implementation of the AfCFTA is well positioned to benefit SME, young entrepreneurs and those trading across borders in Africa, by significantly reducing the cost of trading across borders in Africa.
9. Strong political will continues to be the bedrock of progress towards implementation of the AfCFTA. Allow me, therefore, to pay tribute to our Heads of State and Government whose unwavering commitment and support have made it possible for us to achieve remarkable progress so far in our continental integration ambitions. The attendance today of President Issoufou, Champion of the AfCFTA, is testament to the commitment of our leaders.

Excellencies, Ladies and Gentlemen

10. As we start the year 2022, we expect to see robust trading under the AfCFTA. It is also the year in which, by most predictions, the disruptions brought about by the pandemic will likely begin to ease, thus tending towards normalcy in economic and trading activities.
11. The commercial roll-out of the PAPSS today is, therefore, timely and set to boost intra-Africa trade significantly by making

cross-border payments less reliant on third currencies, and is set to save the continent up to US\$5 billion dollars annually, which is the amount currency convertibility costs Africa.

12. With the implementation of the AfCFTA, we shall see an increase in trade transactions in Africa. This will in turn create greater demand for cost effective payments services, underpinning the important nexus between PAPSS and implementation of the AfCFTA.
13. After Afreximbank and the AfCFTA Secretariat have provided the Heads of States with a progress report on PAPSS when they convene next month, it is our intention that the platform will be rapidly rolled out across the entire continent for the benefit of SMEs, young entrepreneurs and Africa's small traders.
14. In conclusion, as Secretariat we remain committed to continued partnership with the Afreximbank and other continental institutions in developing tools that create an enabling environment for the successful implementation of the AfCFTA, for the achievement of the economic transformation and industrialisation of African economies.
15. With these remarks, Excellencies, Ladies and Gentlemen, I thank you for your kind attention.
16. I wish you all a fruitful and safe 2022.

Thank you