
**SPEAKING NOTES
FOR
HIS EXCELLENCY WAMKELE MENE
SECRETARY-GENERAL, AfCFTA SECRETARIAT**

OFFICIAL VISIT OF HIS EXCELLENCY WAMKELE MENE, TO LONDON,
UNITED KINGDOM

CONVERSATION WITH AFRICAN DIASPORA BUSINESS LEADERS

(16:00 – 17:30)

LONDON, UK

30 MARCH, 2022

PROTOCOLS

Excellencies

Representatives of the Diaspora Community

Distinguished Guests

Ladies and Gentlemen

Good afternoon

1. I would like to thank the organisers for organising this very timely and important “Conversation with African Diaspora Business Leaders” in the UK, focusing on opportunities for the AfCFTA among the diaspora community.
2. A key point I would like to emphasize is that the diaspora has positive development potential which when well harnessed will help mitigate the development challenges of Africa.
3. Over the years, links between the African diaspora and Africa have grown, especially since the recognition by the AU of the African diaspora as its “Sixth African Region” in 2003, complete with an administrative unit at the AU headquarters. Also, contributing to this positive development is the adoption in May 2012 of a Declaration that paved way for the development and implementation of the AU Diaspora Programme.
4. However, there is still potential to enhance the engagements in the pursuit of Africa’s economic development under the AU’s Agenda 2063, ‘The Africa We Want’, as well as the United Nation’s Sustainable Development Goals.

5. Indeed, the Diaspora is a very important constituent to the holistic development of the continent. Besides acquisition of knowledge and skills, the diaspora remittances surpass foreign direct investments and official development aid. These are only recorded flows, however, the true total - including those through informal channels—is even larger.
6. Aside from economic impact, countries that have benefitted most from their diaspora have engaged this group and implemented policies to recognize their role and give them incentives to invest and reduce costs of doing business.

Ladies and Gentlemen

7. The AfCFTA agreement, whose implementation commenced on January 1, last year, provides a platform where the African diaspora can play an important role in the economic development of their countries of origin and the continent. There is now increased and diversified opportunities to promote trade and foreign direct investment, create businesses and spur entrepreneurship, transferring new knowledge and skills within the AfCFTA market.
8. Currently, almost 78% of countries that have signed the agreement have deposited their instruments of ratification which means that they have legally accepted the obligations to open their markets, reduce their barriers to trade, reduce barriers to investment and to adhere to this single set of rules for trade and investment on the African continent. This is an unprecedented achievement for Africa.
9. By providing a large and attractive market, with reduced cross border barriers, investors can undertake larger revenue projects on a regional rather than national scale. The AfCFTA therefore offers an apt response to the reluctance of investors

to invest in small, fragmented and uncompetitive national markets.

10. Currently, implementation of the AfCFTA is progressing in two phases.
11. Phase I of the negotiations aimed at reducing significantly, tariffs and non-tariff barriers to goods and advance in the liberalization of trade in services. This phase of the negotiations established the Protocols on Trade in Goods, Trade in Services, and Dispute Settlement.
12. While it has become possible, since January last year, for AfCFTA State Parties whose customs procedures are ready, to trade under the Agreement's preferential terms, due to the delay in finalising negotiations on key instruments i.e., the rules of origin and tariff schedules, virtually no trading has taken place under the AfCFTA.
13. As you know, trade agreements are very complex and technical, with far-reaching obligations for countries that negotiate them. The Member States, are, therefore, understandably taking a bit of time to deliberate on the implications and the obligations that they are undertaking.
14. Significantly, however, a breakthrough has been made with the improvement in the negotiations of the rules of origin to a high threshold of 87.7% of product lines.
15. Furthermore, we are in receipt of 44 tariff offers representing 80% of AU membership, which have been technically verified, and 46 countries have submitted their Schedules of specific commitments, which have also been technically verified.

16. With these developments, we are now in a position to start commercially meaningful trading in goods and services, under the AfCFTA, across the continent.
17. We are in the process of publishing what we call the AfCFTA Tariff Book which will include rules of origin and the customs procedures that apply to products. Traders will be able to identify in that tariff book their specific products, know what rules of origin apply to each product and associated tariffs.
18. State Parties are now also in a position to gazette these legal instruments, that is the schedules of tariff concessions, at the national level, for full-scale implementation from a customs point of view.
19. Another important milestone is that we have operationalized the Protocol on Dispute Settlement, with the establishment of the Dispute Settlement Body (DSB) and the Appellate Body. The DSB recently agreed on the modalities for the selection of members of the Appellate Body and is at advanced stages of finalizing the selection of the 10 Board Members.
20. The establishment of the DSB sends a signal that Africa is ready to be bound by the rules of trade law, in the settlement of any disputes that may arise in the course of trading among the State Parties, particularly disputes arising from the instance or occurrence of unfair competition, dumping, among others to boost intra-African trade and investment.
21. The Pan-African Payments and Settlement System (PAPSS), one of the operational instruments of the AfCFTA, was successfully launched in Accra, on January 13, 2022.

22. The PAPSS is a platform that will facilitate cross-border payments in local African currencies and is set to boost intra-African trade significantly by minimizing the use of hard currencies and making cross-border payments cheaper and seamless.
23. It will significantly reduce the costs of currency convertibility and save the continent an estimated \$5 billion annually, to the benefit of the numerous SMEs and young entrepreneurs across the continent.
24. Furthermore, in partnership with the Afreximbank, a biennial Intra-African Trade Fair has been established. The IATF provides a unique opportunity and valuable platform to African businesses to access an integrated African market of over 1.3 billion people with a Gross Domestic Product of over US\$3.0 trillion created under the AfCFTA. It is an ideal platform for the participants to enhance their visibility both locally and internationally, offering vast opportunities for SMEs.
25. The 2nd IATF (IATF 2021), following the successful maiden edition held in Cairo, Egypt in 2018, was hosted by the Republic of South Africa in Durban, South Africa in November 2021. The Fair attracted 1161 exhibitors against the targeted 1100 exhibitors, and US\$42.1 billion worth of trade and investment deals were signed, against the target of US\$40 billion. Indeed, IATF 2021 was a tremendous success for the continent's economic integration and industrialisation process.
26. The third edition of IATF will be hosted by the Republic of Cote d'Ivoire in November 2023.
27. Phase II of the AfCFTA negotiations covers trade related issues namely, Investment, Competition Policy, intellectual

property rights (IPRs), digital trade (e-Commerce) and women and youth in trade, and are at various stages of development.

28. This year, we have made the conclusion of these protocols our main goal as we move towards the second phase of implementation of the Agreement.
29. Clearly then, the AfCFTA is not just about trade in goods. It covers trade in services, investment, intellectual property rights, competition policy, digital trade and women and young people in trade. It creates a rules-based system backed-up with a dispute settlement mechanism to give investors confidence in due process.
30. The AfCFTA Protocol on Investment is expected to enhance investment governance and policy coordination and cooperation across the continent. The Protocol is expected to address barriers to investment entry in Africa, reduce time and costs of investment approvals, enhance transparency, improve efficiency and address fragmented investment regulatory frameworks on the continent. Investments and investors will be protected and have access to remedies when their rights are violated.
31. Under the Protocol on Intellectual Property Rights, (IPR) patents and licenses, among other intellectual property rights, for investors' goods and services will be protected not just in the host country but in the whole continent.
32. Given the importance of e-commerce during this Covid 19 pandemic, having rules that govern trading on digital platforms cannot be overemphasized.
33. As you know, no country can develop without the other half of its population, so, women matter greatly. That is why

we are taking concrete steps to ensure that women and young Africans are at the heart of the implementation of the AfCFTA.

34. In this regard, efforts are underway to complete a Protocol on Women and Youth in Trade. The Protocol shall seek to create a legal framework that guides AfCFTA State Parties in the creation of an enabling environment for women and youth to leverage opportunities offered by the AfCFTA.
35. The conclusion of the phase II negotiations this year, will further strengthen the investment and business environment in Africa and enhance the attractiveness of Africa to investors.
36. In this regard, it is also important to mention that the AfCFTA as a flagship project of the implementation plan of the AU's Agenda 2063, is complemented by other continental initiatives for Africa's economic integration and development including the African Passport and Free Movement of Persons, the Single African Air Transport Market (SAATM) and Programme for Infrastructure Development in Africa.

Ladies and Gentlemen

37. The African diaspora community needs to take advantage of the opportunities presented by the AfCFTA, by harnessing the trade and investment engagements within the continent. This will enable you take advantage of the continental market size of more than one billion people with an aggregated gross domestic product of \$3.4 trillion created by the Agreement.
38. We acknowledge and recognize the very important role that the diaspora investment community play in the development of African countries. We no longer say there is

brain drain from Africa, but reverse brain-gain which, if we harness effectively and channel their efforts and resources to productive avenues, Africa will be a continent to reckon with.

39. From the perspective of knowledge and skills, the diaspora could provide long-and short-term human capital support in strategic sectors driving Africa's economic growth. Human capital support can begin with knowledge transfer from the diaspora back to the home country through collaboration, mentoring and training.

40. Regarding the trade access and facilitation dimension, the diaspora could serve as market entry facilitators, importers, distributors and co-investors for African export initiatives targeting global markets.

41. It is, therefore, time for the African diaspora to turn attention towards the continent. And the possibilities for reconnecting are quite limitless: for example, either returning with both legs, or having one leg in the country of origin and one leg in your adopted country and facilitating economic transactions between the two countries.

42. To achieve prosperity, building bridges between Africa and those with African roots is crucial. We need to strengthen the links between the African Diaspora everywhere in order to pool intellectual and financial resources for the transformation and inclusive development of the continent. Working together, we can make a big difference, and help women entrepreneurs, home or in the diaspora, reap the rewards that trade has to offer.

Ladies and Gentlemen

43. As I come to the end of my remarks, it is worthy of note that although the COVID-19 pandemic has created a global

crisis, it has also offered opportunity to reframe diaspora engagement with the continent.

44. With the operationalization of the AfCFTA, the discourse about Africa is shifting from one of challenges to one about opportunities and prospects. Africa is now receiving a high level of interest as an investment destination from investors from across the globe. Indeed, the AfCFTA is creating a new narrative that should inspire the African diaspora, to explore opportunities in the continent and invest in the various sectors.
45. As economic recovery of the African economies get underway, post-Covid19 pandemic, African diaspora all over the world are welcome to join and contribute to this historical endeavor of fostering a strong, and sustainable African integration.
46. Today, the case for investing in Africa is stronger than ever. Africa will remain a competitive investment destination for decades to come because of its improving relative risk profiles, demography and continental integration.
47. Over the years, the population of Africans in the diaspora has expanded. There is no reason why the diaspora cannot be considered a resource and incorporated into policies to boost intra-African trade.
48. In fact, as African diaspora, you constitute a solid, historical bridge between the U.K. and Africa. We recognise you as a "force" and are ready to engage with you.
49. Importantly, you need to look toward Africa. There are many opportunities to engage. I encourage you to do that.

50. I, therefore, invite you to join us as we integrate our economies and fulfil the dreams of the founding fathers of the OAU/AU, and thereby assist you in expanding your businesses on the continent.

Thank you.