*DRAFT*

**SPEAKING NOTES**

**FOR**

**HIS EXCELLENCY WAMKELE MENE**

**SECRETARY-GENERAL, AfCFTA SECRETARIAT**

**REMARKS**

**AT THE AFRICA PROSPERITY DIALOGUES 2024**

**SUMMIT OF HEADS OF STATE AND BUSINESS LEADERS**

**Theme: “Delivering Prosperity in Africa: Produce. Add Value. Trade.”**

**Peduase Presidential Lodge, Aburi Hills, Ghana**

**Saturday, 27 January 2024**

* H.E. Nana Addo Dankwa Akufo-Addo, President of the Republic of Ghana,
* H.E Dr Mohamed Irfaan Ali, President of the Co-operative Republic of Guyana,
* Mr. Gabby Asare Otchere-Darko, Executive Chairman, Africa Prosperity Network (APN),
* H.E. Baroness Scotland of Asthal, KC, Secretary-General, Commonwealth, and Global Africa Champion Award winner,
* Excellencies,
* Honourable Ministers,
* Distinguished Guests,
* Ladies and Gentlemen:

Good morning and best wishes for the season to everyone.

1. It is a great honour and distinct privilege to address the opening session of the 2nd Africa Prosperity Dialogues, taking place at this serene Peduase Presidential Lodge, Aburi Hills, in Ghana's Eastern Region.
2. I would like to extend a special note of thanks to H.E. President Akufo-Addo, for the successful collaboration with the African Prosperity Network (APN) and the Secretariat of the African Continental Free Trade Area (AfCFTA). Your presence, along with so many distinguished leaders from across Africa, reflects our shared aspirations for greater economic growth and prosperity on this continent.
3. The Africa Prosperity Dialogues (APD) has become a valued platform for African perspectives, facilitating open discussions about the continent's challenges and opportunities. This summit offers an opportunity to share insights and chart a course toward a brighter future for African entrepreneurs, particularly in unlocking the full potential of our continent to transform the economies and create decent employment for our young people.
4. This year’s APD Summit of Heads of State and Business Leaders has been convened under the theme “Delivering Prosperity in Africa: Produce. Add Value. Trade.” This theme which is highly timely and relevant serves as an important reminder of the essential steps needed for Africa's economic transformation and prosperity.
5. The three main pillars of the theme - produce, add value, and trade - each highlight a distinct yet interconnected aspect of economic growth and sustainability.
6. They promote an environment where resources are not only extracted and exported but are also processed and traded as valuable goods both within the continent and on the global stage, encouraging our countries to look inward for opportunities for growth. This strategy is necessary to foster sustainable development, alleviate poverty, and bring prosperity to the people of Africa.

**Excellencies**

1. As we reflect on the year 2023, designated as the year of “Accelerating AfCFTA Implementation” by the 36th Ordinary Session of the African Union Assembly of Heads of State and Government, it is imperative to recognise the substantial progress we have made in advancing the AfCFTA. The theme of the Year 2023, underscored the AU's commitment to the AfCFTA and its significance as a key pillar in Africa's economic development strategy.
2. Indeed, the past year provided us with an opportunity to highlight our collective successes, draw lessons from our history, and intensify our efforts to implement the AfCFTA at national, regional, and continental levels. However, our journey does not end here. The theme of the Year 2023 will undoubtedly remain relevant this year and in the years to come as the AfCFTA is an evolving project with dynamic demands and challenges. Our continued commitment to this cause is, therefore, vital to fully realize the potential of this transformative agreement.
3. To sustain this momentum, I urge all of us - governments and the business communities - to remain steadfast in our commitment to the AfCFTA.
4. In this regard, we must persistently work towards aligning our national policies with the objectives of the AfCFTA. This involves the harmonization of customs procedures, trade regulations, and product standards across member countries, necessitating ongoing dialogue, negotiation, and compromise.
5. It is imperative to invest in improving digital infrastructure, logistics, and transportation. This will support overall economic growth in addition to making cross-border trade simpler and more effective.
6. It is important to keep empowering local businesses, particularly small and medium-sized businesses (SMEs). By giving these companies access to capital, education, and market information, we can help them to effectively engage in cross-border trade and contribute significantly to economic growth and development.
7. We must continue to raise awareness and engage with both the business community and the public about the opportunities the AfCFTA presents. Broad-based support for this initiative is essential for maximizing participation and leveraging its benefits.
8. We need to ensure that the benefits of the AfCFTA are distributed equitably across different countries and within societies, including addressing the needs of vulnerable groups and promoting gender inclusivity
9. And importantly, we must focus on ensuring that the implementation of the AfCFTA is not only accelerated but also effective and sustainable. This is key to realizing the long-term economic growth and development across our continent.
10. And importantly, we must focus on ensuring that the implementation of the AfCFTA is not only expedited but also effective and sustainable. This is key to achieving long-term economic growth and development throughout our continent.

**Excellencies**

1. Africa is at a turning point in its history and aiming for robust and stable growth in order to create the conditions for long-term economic recovery and development. Thankfully, the economic outlook for the continent is looking up, with growth predicted to pick up from 3.4% in 2023 to 4% this year. Notably, African economies are predicted to account for six of the top ten fastest-growing economies globally in 2024.
2. However, these optimistic forecasts remain below the ambitious target set by Agenda 2063, which calls for a minimum annual growth rate of 7%. This target, as you know, is crucial for promoting job creation, reducing inequality, and matching global growth rates.
3. Key to achieving this growth is a focus on productive transformation. Today, whether it is cocoa, oil, metals, or wood, the lack of physical transformation into higher-value products is widespread and has impeded the continent's ability to produce high-quality jobs.
4. The data reveals that in 2019, Africa's participation in regional value chains was just 2.7%, compared to 26.4% in Latin America and the Caribbean, and 42.9% in developing Asia. Additionally, Africa's share in the global value chain was only 1.7%, slightly improved from 1.5% in 2000. Therefore, developing value chains and production networks in Africa is vital for enhancing productivity, deepening economic integration, and increasing resilience against economic shocks.
5. On a positive note, processed goods represent a significant 79% of intra-African exports, presenting a major opportunity to boost regional production and strengthen the continent's economic resilience.
6. Furthermore, Africa's role as a key supplier of raw materials for the renewable energy market, such as lithium, offers a strategic advantage in manufacturing and exporting more sophisticated finished products.
7. Geopolitical trends are also working in Africa's favour, with countries and businesses seeking to diversify their suppliers. This positions Africa advantageously to integrate more deeply into global supply chains.
8. The combination of these factors, coupled with the operationalization of the AfCFTA, offers a unique opportunity to our countries to develop regional value chains and transform the continent from a raw material exporter to a manufacturing hub and key player in global value chains.
9. In this context, the adoption of rules of origin for second-hand or used clothes by the Council of Ministers last year, is a significant step that prevents these items from being traded in Africa under AfCFTA preferences. This decision supports value-addition and industrialization in Africa, sending a strong message against using the single market as a dumping ground for used clothes from outside the continent. This move will notably protect and promote investment in the African textile industry, an important sector for the continent's economic development.
10. Also, proactive measures, such as those implemented by Gabon in wood processing, diamond cutting in Botswana, and oil extraction in Nigeria, demonstrate the practicality of moving up the value chain.
11. And to expedite the development of value chains, Foreign Direct Investment (FDI) inflows are crucial. Multinational corporations contribute not only capital and job opportunities, but they also play a significant role in introducing technological sophistication into local industries. Additionally, they facilitate the transfer of knowledge and enable the acquisition of tacit learning experiences.
12. At the same time, digital solutions are emerging as increasingly powerful tools in driving the growth of Africa's value chains and stimulating economic growth. Digital solutions streamline cross-border trade processes, making it easier for businesses to access regional and global markets. This is particularly relevant in the context of the AfCFTA.
13. Digital technologies can help alleviate infrastructural barriers and provide vendors access to a larger customer base through e-commerce platforms. Additionally, digital supply chain finance solutions hold great potential for African exporters, offering them the means to optimize cash flows and secure necessary funding for expansion. This capability is crucial for enabling these exporters to cater to a wider array of both domestic and international customers.
14. However, the full realization of Supply Chain Financing in Africa is hampered by the unique financial culture of the continent, the dominant traditional banking systems, and various infrastructural challenges. Tackling these challenges is essential for promoting the growth and diversification of African businesses in the global market. It demands a collaborative effort to modernize banking systems, tailor financial solutions to the local context, and invest in digital infrastructure.
15. Indeed, the development of value chains is fundamentally driven by the private sector. Nonetheless, governments and developmental organizations play a crucial role in accelerating and facilitating this process.
16. Recognising this, the AfCFTA Secretariat, in collaboration with partners, is actively promoting the implementation of an inclusive Private Sector Engagement Strategy, based on four priority value chains – agro-processing, automotives, pharmaceuticals, and transport and logistics.
17. The effective implementation of this Strategy has the potential to radically reshape future growth and development across the continent. It will enable higher value-add supply chains and more diversified exports, allowing member states to reduce historical commodity dependence and achieve meaningful progress towards the Agenda 2063.

**Excellencies, Distinguished Ladies and Gentlemen**

1. As I come to a close, it is important to emphasize that realizing the ambition of Producing, Adding Value, and Trading within Africa, depends on building trust in ‘made-in-Africa’ products. This can be achieved, for instance, through the effective implementation of a continental quality framework that includes transparent assessments and the enforcement of stringent quality standards.
2. We will also have to encourage and expand academia-industry partnerships to enhance research and innovation.
3. Additionally, member states and the business community should actively participate in continental trade fairs such as BIASHARA AFRIKA and the Intra-Africa Trade Fair (IATF). These events serve as vital platforms for bridging gaps in trade, investment, and business information among market participants across Africa. The business and trade fairs offer African businesses access to a broader market within the continent, enabling companies to broaden their customer base and boost sales, ultimately contributing to economic growth.
4. I welcome this year’s Dialogues and the actions that will and must come from them. We need to collaborate on the new model for the future – Produce, Add Value, and Trade – with transformation and sustainability at its core. This model should strengthen our communities, countries, and continent, making them more resilient.
5. In conclusion, I urge all stakeholders – governments, public officials, the private sector, business communities, and civil society – to work together in support of the effective implementation of the AfCFTA. It is not enough for each to play their part independently; we need a concerted effort, sharing expertise and capabilities, among others, to achieve our collective goals.

Thank you.