

STATEMENT BY UGANDA ON THE OCCASION OF THE 68TH SESSION OF THE TDB, 30TH SEPTEMBER-4 OCTOBER 2019- ITEM 4 - ECONOMIC DEVELOPMENT IN AFRICA-RULES OF ORIGIN FOR ENHANCED INTRA-AFRICAN TRADE

Mr. President, H.E Mr. Michael Gaffey (Ireland),

Dr. Mukhisa Kituyi, Secretary General of UNCTAD,

Director of the Division for Africa, LDCs and Special Programmes, Mr. Paul Akiwumi,

Excellences,

Ladies and Gentlemen,

Uganda aligns itself with the statements presented by distinguished representative of Togo and Ecuador on behalf of the Africa Group and G77+China respectively.

I would like thank UNCTAD for their inward analysis of the key determinants of a successful AfCFTA. Indeed, the criteria on determining a national product is the deal-breaker.

My delegation concurs with the policy recommendations set out in the report and very resourceful reference document going forward. We would however, like to make the following additional comments:

1. From the outset, the Regional Bloc Economic Communities were the major building blocs for the AfCFTA. Owing to the dissimilarities in applying of rules of origin, therefore, meant that their harmonisation would be among the most challenging aspects. For a wholesome game however, it is in the best interest that the rules of origin are kept simple, transparent, business friendly and predictable to be able to accommodate the different segments in trade. The AfCFTA has a good opportunity to build on the good lessons in regional negotiations like the Tripartite Free Trade Area, as well as within the respective regional blocks. Building on the political momentum across the continent, there is no going back.

2. Continuous institutional capacity building will be paramount. At this juncture, I would like to put on record our sincere appreciation to UNCTAD and development partners for the technical support and resources respectively, **extended in a number of interventions including training of** Africa National Trade Facilitation Committees, development of trade portals simplifying the trade regimes in the respective blocks notably the EAC as well as the recent enlistment of UNCTAD by COMESA to build a customs automation regional support centre to reckon the achievements by ASYCUDA world in the region (80% of the members ASYCUDA oriented) that has made it easier and faster to move goods in the region as well as the Emptrec programmes inclined at building entrepreneur base. We appeal for the continuity of this path and widening the net to involve all stakeholders notably the private sector as we strive to work towards the right set of rules of origin.
3. Also, as stated in the report, it is clear that the development of Africa's productive capacities requires much more than strategic trade integration. Africa is characterised by under consumption and underproduction. To this end, Uganda is working on four key constraints that are largely shared across the continent in order to unlock opportunities for our people which will resultantly act as a catalyst to the Intra-Africa trade namely:
 - Low levels of productivity in agriculture. Over 68% of the population is in the subsistence economy notwithstanding risk posed by climatic change. Low productivity cuts across minerals and tourism and as a result job creation in the economy has not kept pace with the surge in the number of youth joining the labour market.
 - Un competitive private sector as a result of high costs of electricity, transport and money limiting the benefits from the abundant regional and continental trade opportunities.
 - Existing gaps in social service delivery and widening income inequality coupled with increasing poverty levels. There is thus need for regional reprogramming to promote equity.
 - Constraint to private sector investment arising out of high costs of credit. Capitalisation of the national development bank is a matter of priority. In the same faith we call upon the international agencies responsible for this arm to make resources available. With these few words, **I thank you.**