

**Statement of Mr. Paul Akiwumi**  
**UNCTAD Trade and Development Board**  
**Wednesday October 3, 2018**

*Excellencies, distinguished delegates, ladies and gentlemen,*

Welcome to UNCTAD's Sixty-fifth executive session of the Trade and Development Board. It is a great pleasure to be with you here in Geneva this morning. I am honoured to be introducing this year's UNCTAD Activities in Support of Africa Report. I do so in my capacity as Director of ALDC, which is responsible for the coordination of Africa-related activities in UNCTAD, and on behalf of all Divisions that have contributed to the activities outlined in the Report.

Before we commence our discussion on UNCTAD's work programme in Africa, and take stock of what we accomplished on the continent in the past year, let me begin by noting that our work in Africa continues to be influenced by and aligns with the goals set out in Agenda 2030 on Sustainable Development, and the development aspirations encapsulated in the African Union (AU)'s Agenda 2063. The continental free trade area (AfCFTA) is a key driver for Africa to realize the structural transformation and industrialization of the continent as envisaged in the AU Agenda 2063, as well as to promote implementation of the United Nations SDGs.

There is no doubt that Africa has embarked on *a journey of transformational change*: while the media may be portraying a dismal picture of Africans as refugees fleeing the continent on boats, the reality on the continent is much different. Economic growth rates have averaged 4 per cent over the past four years in Africa, which is higher than the world average. Libya, Ethiopia, Cote d'Ivoire, Ghana and Senegal were among the top ten countries with the highest economic growth rates in 2017 (Source: World Economic Outlook 2018, IMF).

Furthermore, economic integration is progressing on the continent. The signing of the African Continental Free Trade Agreement (AfCFTA) in January 2018 and ongoing ratifications by 7 countries so far, is an important development milestone for the continent. It has taken Africa almost 30 years since the signing of the Abuja Treaty in 1991 to reach this stage. But the Continent cannot afford to wait another 30 years to translate the AfCFTA and the potential it holds into reality. Africa's success at augmenting economic prosperity for all on the continent will depend critically on its capacity to transform the AfCFTA into a catalyst for structural change and prosperity.

I have just returned from the UN 73rd General Assembly that happened last week in New York. We held at the margins of the GA an important high-level panel on migration and structural transformation in Africa in collaboration with the governments of Morocco and Rwanda. This was a follow-up to our Economic Development in Africa Report (2018). It was a highly successful panel, that saw the participation of the Foreign Affairs Ministers of both Rwanda and Morocco, the High Representative of the EU for Foreign Affairs and Security Policy, the AU Commission and the President of the UNGA.

Last week in New York, the AU, the EU and the UN agreed in a joint communiqué to renew their cooperation and coordination on a range of issues, including the achievement of Agenda 2030 for Sustainable Development and the AU Agenda 2063. The AfCFTA is the flagship project of the AU Agenda 2063. UNCTAD has a key role to play in ensuring the success of that project on the continent. UNCTAD's value-added as a development partner for Africa lies first and foremost in its substantive, analytical and technical expertise on *international trade and regional integration* as well as its capacity to provide substantive advice and technical assistance on issues that are closely related to trade and regional integration and these include the themes of: *structural transformation, building productive capacities, trade facilitation, investment, finance and debt, entrepreneurship, science and technology and competition policy*.

At UNCTAD we believe that no significant gains can be reaped from the AfCFTA unless African countries continue to build their productive capacities and foster structural transformation and economic diversification on the continent. Indeed, it is gratifying that our work in Africa, which spans five programme areas, and builds on the Report of the Secretary-General of UNCTAD to UNCTAD XIV that was launched in 2015, has been substantive. As the Report that will be presented to you and deliberated upon here will illustrate, the activities that we undertook in Africa during the reporting period of May 2017 to April 2018, had a significant impact across a broad range of areas, and at the national, regional and continental levels. In my presentation today, I would like to provide 2 examples of how UNCTAD has contributed to the advancement of economic integration on the continent during the reporting period.

### **1. Contributing to structural transformation and building productive capacities (ALDC)**

To reap the development benefits of the AfCFTA, African countries must continue to focus their policy efforts at building productive capacities, at diversifying their economies (that too often over-rely on primary commodities) and at accelerating structural transformation. I cannot stress this point too greatly. It is crucial, ladies and gentlemen, for Africa to be the main beneficiary of the AfCFTA. This cannot happen unless African countries develop more technologically sophisticated and diversified economies. The main objective of the AfCFTA is to boost intra-African trade and intra-African investment but for this to happen, African countries need to expand the range of goods and services they produce. UNCTAD has a rich and long history of supporting African countries on issues of productive capacities development and structural transformation.

Last year, our Least Developed Countries Report 2017 on “transformational energy access” firmly put the spotlight on the necessity of achieving SDG7 in African LDCs; Not only must African countries address their energy deficits in order to reap the gains from the AfCFTA but they must also pay more attention to the productive uses of energy. Expanding energy access to African firms is needed in order to foster intra-African trade. The UNCTAD Least Developed Countries Report 2017 provides a range of policy recommendations to African LDCs on how to develop and expand their electricity systems, improve on electricity governance and harness finance for it.

However, intra-African trade is not only about goods, its increasingly about services. Our Economic Development in Africa Report 2017 titled “Tourism for Transformative and Inclusive Growth” examined the key policy barriers to unlocking tourism's potential to contribute to structural transformation in Africa. There is a huge untapped potential for developing intra-regional tourism in Africa. The Report

provides policy recommendations on how to overcome barriers that are currently hindering intra-regional and international tourism in Africa. We believe at UNCTAD that tourism, if properly harnessed, could foster inclusive growth in Africa by providing employment opportunities, and promoting economic diversification through niche tourism markets.

## 2. Promoting trade facilitation in Africa (DITC)

Second, for the AfCFTA to translate into reality on the continent, African countries will need to continue their efforts at facilitating trade between themselves and external partners. UNCTAD supports African capacity-building on trade facilitation in multiple ways, at the level of policy-making as well as programme implementation. For example, UNCTAD supported the AU in finalizing its Trade Facilitation Strategy. At national and regional levels, UNCTAD's Trade Facilitation Empowerment Programme supported the establishment and strengthening of National Trade Facilitation Committees across the continent. The frameworks are central to an *all-of-government* approach in implementing reforms to facilitate both import and export trade.

UNCTAD also continues to provide ongoing support to African countries on Non-Tariff Measures, including through training aimed at building African policymakers' skills in this area. UNCTAD is also providing technical support to the AUC on crafting rules of origin for the AfCFTA.

These are only a few examples of how UNCTAD is contributing towards transformational change and the advancement of trade and regional integration in Africa. Finally, the Report, which highlights the activities undertaken during 2017-2018, also identifies the thematic issues that we collectively need to address to achieve the Nairobi Maafikiano mandate, and to support Africa in realizing its development aspirations. In closing, ladies and gentlemen, we look forward to further deliberations on the Report as well as your contributions on how we can further strengthen our work programme in Africa in response to the Nairobi Maafikiano mandate, Agenda 2030 and the AU's Agenda 2063.

I look forward to hearing your reactions and hope that you will share with us insights on how to make Africa's journey towards transformational change a success and translate the AfCFTA into a reality.