

Concept Note

Multi-stakeholder Workshop:

[Trade in Services in Africa](#)

*Jointly Organized by the United Nations Conference on Trade and Development (UNCTAD) and the  
United Nations Economic Commission for Africa (UNECA)*

24 and 25 November 2021

*[Venue: Nairobi, Kenya \(Hybrid meeting\)](#)*

## 1. Context and justification

The world faces today multiple socio-economic challenges resulting from the COVID-19. The pandemic has revealed extreme vulnerabilities of African economies, and especially the services sector to global markets. The impacts of COVID-19 have also thought us the importance to have more digitally dynamic services sector which are better integrated to regional markets.

The services sector offers opportunities for the diversification of production and trade as an industry, or as enabler of growth and diversification in related sectors. Services such as transport, financial services, information and communications services, and energy services are characterized by their own value chains but are also key contributors to other productive economic sectors. Moreover, the increasing servicification<sup>1</sup> of the economies worldwide implies that services are now an important piece of the development puzzle. The economic performance of African economies is increasingly driven by the services sector – services value added represented more than 50 per cent of Africa’s GDP over the past two decades according to data from UNCTADStat. However, a main concern for services-led growth in Africa is that services-sector employment in most economies is neither technologically dynamic, nor tradeable.<sup>2</sup> Yet, there are indications that some African countries and regions have been able to develop services that are relatively dynamic, and well-integrated into regional and global value chains in sectors such as banking, air transport and telecoms.<sup>3</sup>

However, unlocking the full potential of Africa’s services sector implies that its contribution to the economic performance and linkages to the productive sectors are fully understood to support timely policy-making process. This is very important at a time the continent has embarked in the liberalization of its services sector under the AfCFTA. A major challenge that remains for African countries is how better assessing the contribution of the services to the economy and fully capture their linkages to global and regional value chains. This entails **addressing constraints related to data**

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<sup>1</sup> “Servicification” is used to denote the fact that all productive sectors are increasingly relying on services as inputs, activities within firms or as output of production systems.

<sup>2</sup> Rodrik, D. 2015. *Premature Deindustrialization*. Princeton, NJ: Institute for Advanced Study, School of Social Science.

<sup>3</sup> UNCTAD (2015) *Economic Development in Africa Report 2015 - Unlocking the Potential of Africa’s Services Trade for Growth and Development*(UNCTAD/ALDC/AFRICA/2015)

gaps on services and strengthening capacities at national and regional levels to measure the value added generated by services sectors with a view to supporting policy-making processes.

This is the overarching goal of a technical assistance programme jointly designed and implemented by the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Economic Commission for Africa (UNECA). Over the period 2018-2021, and under a project funded by the UN Development Account, the two institutions have been piloting the programme in six African countries, covering three services sectors (transport services for Ethiopia and Kenya; tourism services for The Gambia and Mali; and financial services for Nigeria and Togo). The project aims at strengthening capacities to measure the value added that is generated by the selected services sectors and supporting policy frameworks to maximize their contribution to national and regional value chains. Under the scope of the projects, support has been provided to the beneficiary countries to assess the impacts of COVID-19 on targeted services sector and identify policy options to build resilience.

The scope of the project also includes the identification of best practices and the sharing of lessons learned as pilot countries apply the methodology developed to quantify and analyse specific services value chains. In this regard, UNCTAD and UNECA are convening a multi-stakeholder workshop on Trade in Services scheduled to take place on 24 and 25 November 2021 in Nairobi, Kenya.

## **2. Objectives and expectations of the workshop:**

### **a. General and specific objectives**

The overall objective of the multi-stakeholder workshop is to share experiences and lessons learnt, as well as emerging best practices, in quantifying the contribution of targeted services sectors to national and regional value chains, and to support services trade policy making in the project countries.

The specific objectives are to:

- Put Africa's services sector into perspective within the AfCFTA and post-COVID-19 context.

- Share challenges and opportunities emanating from data collection exercises on trade in services in each of the project countries;
- Discuss the outcomes of the quantification exercises of services value chains in each of the project countries;
- Discuss policy options that could be considered at regional and national levels to unlock the potential of the selected services sector under the framework of the project (i.e. tourism, transport and financial services);
- Collect relevant materials and analysis to be compiled into a guidebook

#### **b. Expectations**

At the end of the seminar, participants are expected to:

- Have a better understanding of challenges related to data gaps in Africa's services sector and necessary means to address them;
- Build upon lessons learnt and experiences in quantifying target services value chains in the project countries to support similar exercises in other sectors and countries;
- Discuss sectoral impacts of COVID-19 and policy responses that contribute to building resilience in the project countries; and,
- Be trained to utilize appropriate tools and acquire the knowledge necessary to support policy making in services value chains.

### **3. Participants**

The Workshop will be attended by policy makers and experts from member States, Regional Economic Communities, the private sector, the academia and development institutions with an interest in regional integration issues, and in particular the services sector. National participants

will be invited from both project beneficiary and non-beneficiary countries to facilitate experience sharing.

#### 4. Organizational Arrangements

- **Date and Venue of the Meeting**

The workshop will take place on 24 and 25 November, 2021 in a Nairobi Hotel under hybrid modalities, that is both physically and virtually. The working language of the webinar will be English and French.

- **Documentation**

Relevant documents including an annotated agenda, logistical note and relevant background documents will be shared with participants in electronic format once the latter confirm their participation to the workshop.

- **Logistics**

Depending on the restrictions related to COVID-19 pandemic, UNCTAD and UNECA will sponsor the participants attending the workshop. Round trip economy class air tickets and a daily subsistence allowance (DSA) according to United Nations rules and regulations will be provided to all experts travelling from outside Kenya. Local participants will be provided with a local per diem, according to UN rules and regulations.

- **Working languages**

The working languages of the workshop will be English and French, with simultaneous interpretation. Documentation will either be presented in English or French.

- **Contacts**

For further information on the workshop, kindly contact Ms. Eden Lakew ([lakewe@un.org](mailto:lakewe@un.org)) with copy to Ms. Mahlet Girma ([girma6@un.org](mailto:girma6@un.org)), Ms. Laura Paez ([paezl@un.org](mailto:paezl@un.org)) and Mr. Ali Yedan ([ali.yedan@unctad.org](mailto:ali.yedan@unctad.org))