

FORUM FOR NATIONAL TRADE FACILITATION COMMITTEES

27– 29 NOVEMBER 2018, ADDIS ABABA, ETHIOPIA

Empowering Public-Private partnership for trade facilitation

AFRICA

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**TRADE FACILITATION INITIATIVES
BY THE
AFRICAN UNION COMMISSION**



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AFRICAN UNION COMMISSION**



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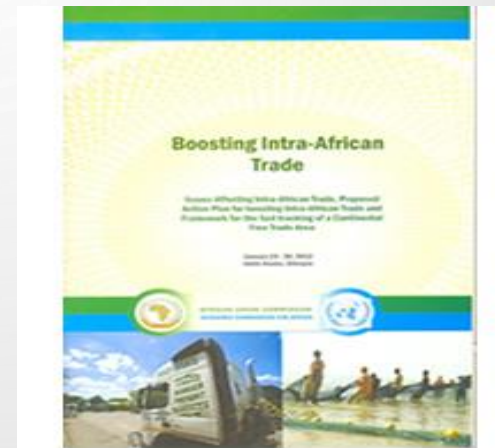
EASE OF DOING BUSINESS 2018 : TRADING ACROSS BORDERS

Region	Score	Rank	Border Compliance (time & Cost associated with border requirements such as inspections, handling charges and fees etc)				Documentary Compliance (time & cost associated with all documentary requirements)			
			Time to export	Cost to export	Time to import	Cost to import	Time to export	Cost to export	Time to import	Cost to import
East Asia & Pacific	71.55	101	54.7	382.2	69.2	415.8	57.6	109.4	57	109.5
Europe & Central Asia	86.17	54	22.1	157.5	21.1	162.3	24.3	97.9	24.7	93.9
Latin America & Caribbean	69.15	105	61.9	529.8	62.6	647.2	52.5	110.4	79.1	116.3
Middle East /North Africa	60.17	121	58	442.4	105.4	536	67.9	244.6	75.5	269
OECD high income	94.21	26	12.5	139.1	8.5	100.2	2.4	35.2	3.4	24.9
South Asia	62.57	117	62.9	347.2	95.8	504.6	74.1	160.3	100.8	276.7
Sub-Saharan Africa	53.59	139	97.3	605.8	126.3	684.3	72.8	168.8	97.7	283.5



TWO MAJOR AU FLAGSHIP PROJECTS RELATED TO TRADE FACILITATION

- In 2012, the Assembly adopted the historic decision to fast track the establishment of the AfCFTA
- The Assembly also endorsed an Action for Boosting Intra Africa Trade (BIAT)
- Both Projects aim at deepening Africans market integration and significantly increasing the volume of trade that African countries
- AfCFTA/BIAT
 - Trade Facilitation,
 - One of the immediate actions foreseen under this cluster is the simplification and harmonization of Customs and transit procedures
 - One Stop Border Post
 - Trade Policy,
 - Productive capacities,
 - Trade related Infrastructure,
 - Trade Finance,
 - Trade Information
 - and Factor Market integration.



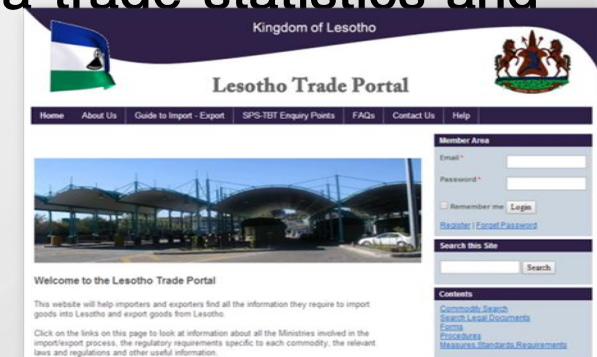
TRADE INFORMATION

Continental-AU Trade Observatory

- A Repository of African trade data and information
- Introduced as a support mechanism for the effective Monitoring and evaluation of the AU Action Plan for “Boosting Intra-African Trade” (BIAT) and the AfCFTA, in line with Decision: Assembly/AU/Dec.394 (XVIII) of the 2012 Summit
- Will be located at the African Union Commission Dept of Trade and Industry
- Will be key for informing policies regarding the AfCFTA and BIAT
- Essential in reducing information Asymmetry on Africa trade statistics and opportunities

National -Trade Information Portals

- A number Member States have already implemented Trade Information Portals
- There will be need to promote such Portals



Outcome of 9th Meeting of the A U Sub-Committee of Directors General of Customs

Background

- The 9th Ordinary Meeting of the A U Sub-Committee of Directors General of Customs was held from 16 to 17 November 2017 in Yaoundé, Cameroon.
- The theme of the meeting was “***The contribution of Customs to the Analysis of International Trade Data, for Security and the Boosting of Intra-African Trade.***”

Key Outcomes

- There is need for regional approach to compliance and enforcement so as to enhance the security of the supply chain;
- Customs Administrations are urged to modernize their ICT systems as they are a sustainable foundation for gathering data and data exchange;
- The AUC in collaboration with WCO, UNCTAD and other Development Partners should carry out Capacity Building on Member States in areas of Risk Analysis;



Outcome of 9th Meeting of the A U Sub-Committee of Directors General of Customs

- Issues of Security, Private Sector Involvement, Legal Frameworks for Interconnectivity and Transit be adequately dealt with in 2018

(The Customs Cooperation Division always involved the Private Sector Regional Private Sector Organizations on key relevant issues)

- There is need for the AUC to adopt and implement the NIAMEY DECLARATION which calls for the Governments to work on the termination of the PSI

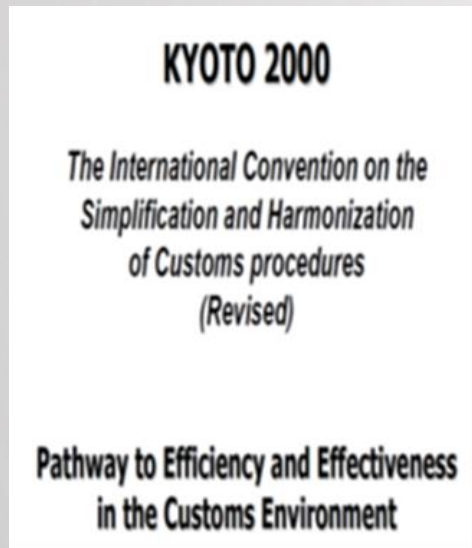
(A number of countries are still implementing this measure in the West and Central Africa Region)

➡ The issues has never been dealt with at AU level and thus its already in our to do list for next year



Outcome of 9th Meeting of the A U Sub-Committee of Directors General of Customs

- Consideration of the main pillars of the AU Trade Facilitation Strategy
- The most key priority for Customs Cooperation Division of the AUC for 2018 was therefore the development and adoption of the
- Key considerations :
 - Alignment to International Instruments such as the WTO TFA &



- » Findings of the different Studies By AUC
- » Incorporate initiatives and instruments at regional level
- » Alignment to AUC existing programmes (ex AU Border Management Programme)
- » Issues related to SPS/TBT/NTBs
- » SMEs
- » AfCFTA
- » M & E



AU TRADE FACILITATION STRATEGY

- The AU Trade Facilitation Strategy was developed in collaboration with Member States Experts, RECs, International Partners such as the WCO & UNCTAD
- The Strategy shared to the whole Department of Trade and Industry and Department responsible for Transport issues for inputs and comments
- It was presented to the **RECs** at the 7th AU-RECs Sub Committee on Customs Cooperation meeting in April 2018, in Morocco where the ROCBs , WCO, UNECA and UNCTAD also participated
- A **Validation Workshop** was conducted in April 2018 in Madagascar where selected Member States and the Regional Private Sector Organizations was also invited
- Presented to the Experts Group Meeting for recommendation to the DGs for approval
- Endorsed by the AU Sub Committee of Directors General of Customs
- To be considered the Specialized Technical Committees (Trade) in January 2019 for final adoption
- **The AU Trade Facilitation Strategy will remain a living document**
- **Special Thanks goes again to UNCTAD**



AFRICAN UNION TRADE FACILITATION STRATEGY INTERVENTION LOGICAL FRAMEWORK

To increase intra-Africa trade for sustainable economic growth to stem poverty and create employment in Member States.

TF Strategic Goal

TF Priority Areas of Focus

TF Strategic Interventions (Objectives)

Key Result Areas

Simplification and Harmonization

Information Communication Technology (ICT)

Security & Compliance

Institutional Coordination & Capacity Building

Multi-Modal Transport Systems

Small and Medium Scale Enterprises

None-Tariff Barriers

Implement simplification, streamlining and standardization of procedures of all border agencies to facilitate movement for cross-border cargo, vehicular, and travelers

To promote and encourage use of Information communications Technology (ICT)

Safeguard and secure the integrity and security of the international and regional supply chain initiatives

Enhance/establish institutional /coordination and Capacity Building mechanisms at the Continental level

To Promote Multimodal Transport Systems

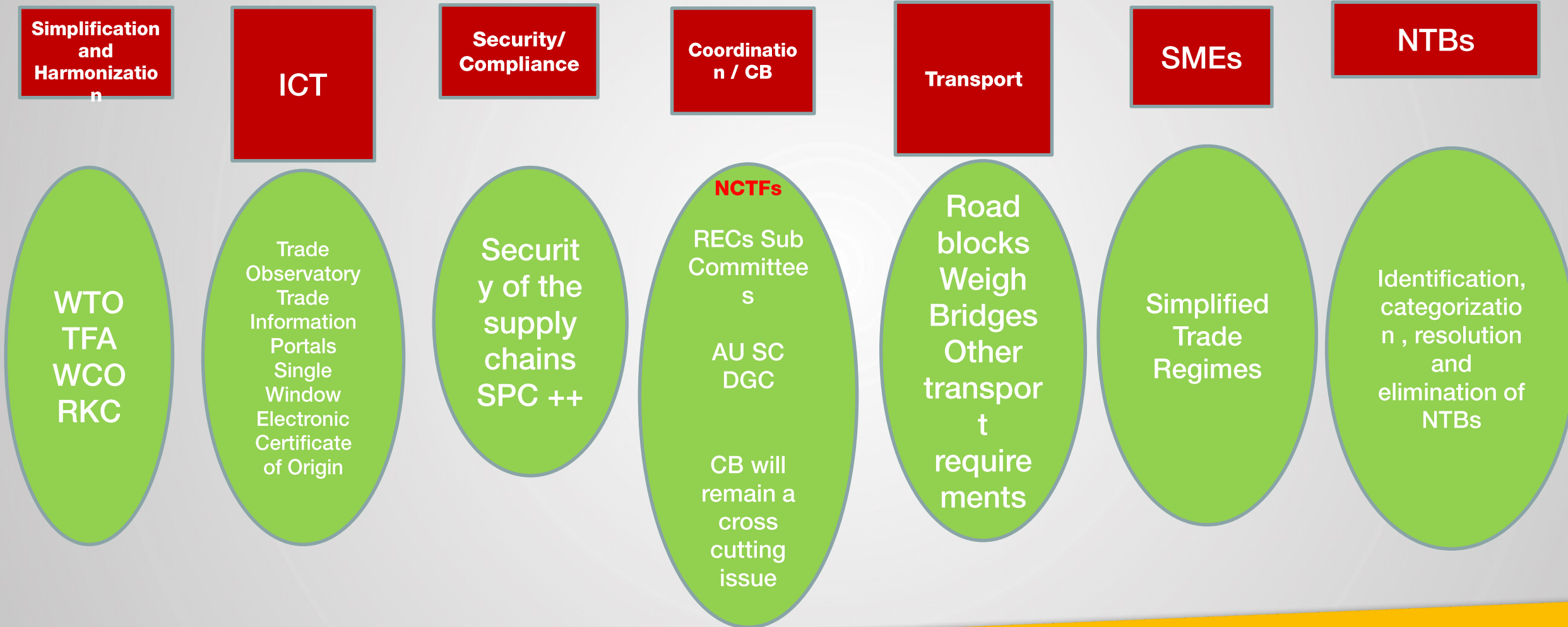
Facilitate SMEs to participate in global value chains and improve their compliance to rules and regulations

Elimination of Non-Tariff Barriers

General Areas (Goals) Strategic Actions/Activities for which AU is responsible



IMPLEMENTATION PLAN OF THE AU TRADE FACILITATION STRATEGY



SPECIFIC ACTIVITIES IN 2018



- The African Union - WCO ESA ROCB joint Regional Workshop on Corruption Risk Mapping, hosted by the Mauritius Revenue Authority was held in Port Louis, Mauritius from 22nd to 25th May, 2018.
 - The DGs were requested to spearhead the development of an Integrity Strategy for Africa through the AUC , in collaboration with the WCO, ROCBs and other stakeholders.
 - The Strategy is expected to include, among others, the components of Corruption Risk Mapping, various frameworks, training and expertise as well as take into account the continental administrative structures.
 - Member States should learn from Best Performers in the region

Corruption Perception Index 2017 in Africa

1.	Botswana	world ranking 34
2.	Seychelles	world ranking 36
3.	Cape Verde	world ranking 48
4.	Rwanda	world ranking 48
5.	Namibia	world ranking 53
6.	Mauritius	world ranking 54



Botswana Unified Revenue Service and Mauritius Revenue Authority shared their experience in combatting corruption at the 10th DGs meeting in Comoros in September 2018



SPECIFIC ACTIVITIES IN 2018



- **5th African Union Customs Technical Working Group Meeting on Interconnectivity of Computerized Customs Clearance and Information Systems: 19 -21 June 2018. Dakar, Senegal**

– The meeting furthermore observed the need for the AU Sub Committee of Directors General of Customs (AUSCDGC) to:

- Adopt the WCO Globally Networked Customs (GNC) concept to allow interconnectivity and data exchange
- Adopt the WCO Data Model to allow harmonization of data elements
- Select import, export and transit as areas to start the work on interconnectivity at AU level
- Establish a Special Working Group to work on a Utility Bloc that would have been identified
- To take into account existing work on interconnectivity within the RECs and SACU

– The workshop also considered different legal frameworks for interconnectivity and exchange of data



SPECIFIC ACTIVITIES IN 2018

- Sensitization Workshop on the Implementation of the WTO Trade Facilitation Agreement for the region of Western and Southern Africa in Abidjan, Cote Divoire from 29 July – 01 August 2018

- More involvement of the Private Sector
- There is still need to educate stakeholders on the TFA
- Lack of Political Will remains a great concern
- More technical assistance still required
- WTO, WCO, AUC and RECs still to play a major role

A similar workshop is planned for countries in the Northern African region at the request of the AMU (Arab Maghreb Union) Secretariat



SPECIFIC ACTIVITIES IN 2018

- 4th African Union Trade Facilitation Forum in Africa
from 15-17 August

2018 in Cairo, Egypt under the theme, *“Implementing Authorized*

Economic Operators and Mutual Recognition Arrangements for Improved Trade Facilitation in Africa”.

- **Key Conclusions:**

- Capacity building
- Regional Approach
- What about SMEs?
- Need to simplify processes and procedures
- AUC to reflect on Continental Programme



- The main objective of the Annual Customs Experts Trade Facilitation forum is to identify current challenges and share best practices and experiences on a selected topic



SPECIFIC ACTIVITIES IN 2018



Transit Workshop in Dar es Salaam in August 2018

- Share experiences on existing Transit Programmes within Africa
- Ponder on Regional Transit Solutions
- Discuss the private sector perspective
- Identify challenges and technical assistance required
- Craft concrete recommendations for the AUSCDGC
 - A number of challenges/opportunities
 - The region to explore the accession and implementation of the TIR Convention



A plea to WCO , UNCTAD, UNECA, RECS and other Partners to join hands to together so that proper solutions can be explored



SPECIFIC ACTIVITIES IN 2018

- The 30th Ordinary Session of the AU Heads of State and Government held in Addis Ababa, Ethiopia in January 2018 was held under the theme, “ *Winning the Fight against Corruption; A Sustainable Path to Africa’s Transformation*”.
- The 10th Extra Ordinary Summit held in Kigali, Rwanda in March 2018, 44 Heads of State and Government signed the AfCFTA Framework Agreement.
- **10th Ordinary Meeting of the African Union Sub-Committee of Directors General of Customs** : 17-21 September, 2018; Moroni, Comoros: ***“Combating Corruption in Customs to effectively implement the African Continental Free Trade Area (AfCFTA)”***.

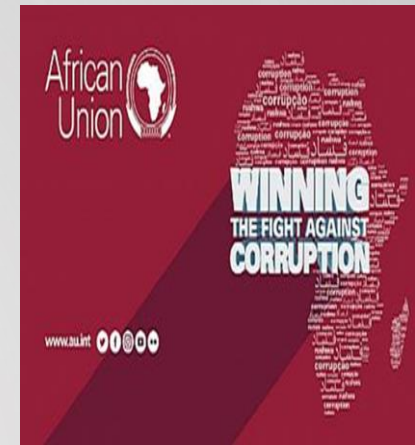
Major Outcomes:

Consideration of the various reports of Technical Working Groups

Panel Discussions on the Theme

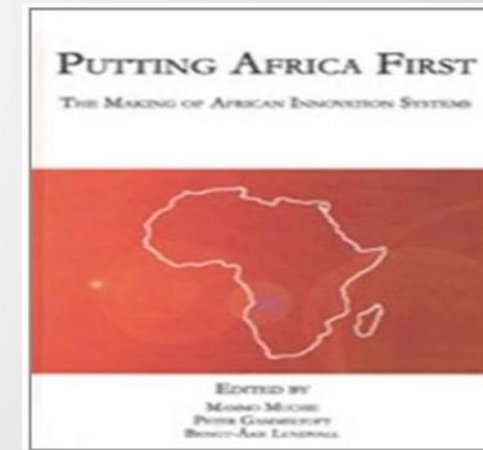
Endorsement of the AU Trade Facilitation Strategy

Declaration by the DGs to combat the scourge of Corruption



Putting Africa First

- The AU Trade Facilitation Strategy is WTO TFA & WCO RKC+
- The AfCFTA provisions related to trade facilitation are WTO TFA & WCO RKC+
- They are inspired by the aspirations of the AU Leaders enshrined in the
 - Abuja Treaty
 - Agenda 2063 –The Africa We Want
 - AU Assembly Decisions
 - AU STC Decisions
 - AU Sub Committee of Directors Generals Recommendations



THANK YOU!



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