

Strengthening services trade policy-making for Africa's integration into regional value chains in support of the 2030 Agenda



United Nations
Economic Commission for Africa

UN Development Account Project
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Project title	Strengthening services trade policymaking for Africa’s integration into regional value chains in support of the 2030 Agenda		
Countries and sectors of focus	Transport services in Ethiopia and Kenya; Tourism services in Mali and The Gambia; Financial services in Nigeria and Togo.		
Project websites	https://knowledge.uneca.org/stp/ and https://unctad.org/project/strengthening-services-trade-policy-making-africas-integration-regional-value-chains	Project Duration	2019 - 2021
Implementing partners	United Nations Conference on Trade and Development (UNCTAD) and the United Nations Economic Commission for Africa (UNECA)		
Project goal	Strengthen the capacities of national and regional policymakers and stakeholders to measure and analyze value chains and design services policies aimed at enabling higher integration into global and regional value chains.		

Recent project highlights

Study on COVID-19 impacts and recovery responses

The COVID-19 pandemic has revealed the extreme vulnerability of African economies, and especially the services sector to global markets. The sector, from tourism and transportation to financial services, has severely contracted due to compressed demand for goods, as well as services, and disrupted supply chains. The imperative today is that African countries need to address the challenges induced by the pandemic to build stronger and more resilient economic sectors. This entails undertaking targeted studies on the sectoral impacts of COVID-19 that will, in turn, help countries design appropriate policies and take corrective action to build back better in the short run, and advance more sustainably in the medium to long run. In this context, and within the scope of this project, UNCTAD and UNECA are assisting the beneficiary countries to assess the impacts of the pandemic on their services sector and devise appropriate response strategies. From late 2020, data collection, mainly through online surveys has been carried out in Ethiopia, Kenya, Mali, Nigeria and Togo.¹ The goal is to support countries to thoroughly analyze the COVID-19 impacts at national and regional levels by focusing on the target services sectors. It is anticipated that this will shed light on the policy responses required to ensure the sectors remain part of inclusive and sustainable recovery strategies. More information on this component of the project can be found at [http://knowledge.uneca.org/stp/covid-19 Impacts and Responses](http://knowledge.uneca.org/stp/covid-19%20Impacts%20and%20Responses).

National seminar to review the study on “Examining Road Transport Services in Kenya: A Case Study for the Tea Value Chain”, Nairobi, 19 December 2020

Under the scope of the project, a case study was commissioned in collaboration with the Ministry of Industrialization, Trade and Enterprise Development of Kenya. The study analyzed the contribution of the road transport sector in Kenya’s tea value chains and recommended a set of policy options needed to strengthen the linkages. To rigorously review the key findings of the study and discuss its policy recommendations, the Ministry, in collaboration with UNCTAD and UNECA, organized a validation workshop on 19 November 2020. The workshop was attended by key stakeholders, mainly policy makers and private sector representatives, in Kenya’s transport and tea sectors, among others. The workshop took place at the Hilton Nairobi under hybrid modalities. Participants located in Nairobi attended the meeting in person. Those located outside Kenya participated through a dedicated virtual platform.

The seminar provided opportunities to review some of the challenges Kenya’s transport services face, as well as potential solutions to maximize its contributions to other sectors, especially tea value chains. During the seminar, the Kenyan Secretary of Trade, Dr. Bruno Linyiru, reiterated the need to better understand services value chains to maximize their full potential. He noted that *“a major challenge to address relates to the extent to which we fully understand how such value chains operate, to measure them and design policies to support a higher degree of*

¹ Although The Gambia is one of the project’s beneficiaries, the country is not participating in the COVID-19 impacts and recovery responses component of the project, due to previous commitments.

integration". He acknowledged UNCTAD and UNECA support in addressing some of those issues through the current project.

The Director for Africa, Least Developed Countries and Special Programmes Division of UNCTAD, Mr Paul Akiwumi, noted the increasing servicification of the economies worldwide which implies that services are now an important piece of the development puzzle, and most certainly, part of COVID-19 recovery efforts. He underscored the need to unlock the full potential of Africa's services sector, assess its contribution to economic performance and understand the linkages to the productive sectors to support timely policy-making processes at a time when the continent has embarked on services trade liberalization under the African Continental Free Trade Area.

For more information on the seminar, please visit <https://unctad.org/meeting/validation-workshop-study-examining-road-transport-services-kenya-case-study-tea-value> and <http://knowledge.uneca.org/stp/national-seminar/Validation-Workshop-in-Kenya>

Participants engage at the national seminar held in Nairobi on 19 November 2020



Next steps

Some of the project activities are being revisited because of the continuing COVID-19 pandemic, and associated restrictions. Notwithstanding these limitations, there are contingency plans in place to continue the project's implementation throughout 2021. In the coming months, the joint UNCTAD and UNECA project team will undertake the following activities:

- By March 2021, finalize data collection and prepare COVID-19 impact studies and recovery responses, with a focus on the target services sectors in the project beneficiary countries.
- During the first half of 2021, support the project countries in organizing national seminars to review the sectoral studies and discuss policy options needed to maximise the potential benefits of target services sector, including within the COVID-19 context.
- During the second half of 2021, organize a multi-stakeholder workshop to share experiences and lessons learnt in the project countries, as well as identify emerging best practices in quantifying the contribution of targeted services sectors to national and regional value chains, in support of services trade policymaking.
- Throughout the year, provide advisory services to support the project countries in harnessing services trade opportunities, while at the same time devising policy responses to mitigate the adverse impacts of COVID-19 on services sector.

Contact us

For more information about the project, please visit <https://knowledge.uneca.org/stp/> and <https://unctad.org/project/strengthening-services-trade-policy-making-africas-integration-regional-value-chains> or contact the project team directly:

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