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DRAFT

**SPEAKING NOTES  
FOR  
HIS EXCELLENCY WAMKELE MENE  
SECRETARY-GENERAL, AfCFTA SECRETARIAT**

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**20<sup>TH</sup> UNITED STATES – SUB-SAHARAN AFRICA TRADE AND  
ECONOMIC COOPERATION FORUM  
(AGOA FORUM)**

**THEME:**

*“PARTNERING TO BUILD A RESILIENT, SUSTAINABLE, AND INCLUSIVE AGOA TO  
SUPPORT ECONOMIC DEVELOPMENT, INDUSTRIALIZATION AND QUALITY JOB  
CREATION”*

JOHANNESBURG, SOUTH AFRICA

2 NOVEMBER, 2023

- Your Excellency, President Cyril Ramaphosa of the Republic of South Africa;
- Honourable Minister Ebrahim Patel;
- Honourable US Trade Representative Ambassador Katherine Tai;
- Your Excellency Albert Muchanga, AU Commissioner for Economic Development, Trade, Tourism, Industry and Minerals;
- Excellencies Trade Ministers from AGOA eligible countries;
- Honourable Deputy Secretary of Commerce Don Graves;
- Ambassadors to the United States;
- Senior Officials from the US government and African governments;
- Distinguished Ladies and Gentlemen:

It is an honour and great pleasure to make these few remarks at this auspicious event, the 20<sup>th</sup> edition of the African Growth and Opportunity Act (AGOA) Forum.

I would like to extend my most sincere appreciation to Minister Patel and Ambassador Tai for inviting me and the AfCFTA Secretariat to participate in this 20<sup>th</sup> edition of the AGOA Forum.

Since the last edition of the AGOA Forum, the African continent has made significant progress in advancing on a long-standing ambition of creating a single, integrated market. As you may well know, currently, all the 55 African Union (AU) Member States, except one, are signatories to the Agreement Establishing the AfCFTA, and 47 Member States have ratified and deposited their instruments of ratification making them State Parties to the Agreement. Under the leadership of the Assembly of Heads of States & Governments of the AU, much progress has been achieved to translate Africa's economic development objectives, into reality.

The AfCFTA is an ambitious trade agreement that recognises the potential for trade in Africa to make positive development gains. It's scope is expansive and covers trade in goods, trade in services, dispute settlement and a range of other protocols including the soon to be concluded protocol on Women & Youth in Trade and the Protocol on Digital Trade. A primary objective of the

AfCFTA is contributing to Africa's industrial development, for Africa to be globally competitive, we must urgently address the challenge of a shallow base of industrial capacity. In developing the internal market in Africa, anchored on the rules of the AfCFTA, we are acutely aware that in order to create jobs and the competitiveness that I refer to, the AfCFTA must take account of the reality that there are differentials in levels of industrial development in Africa. That is why, working with Afreximbank, we have established the AfCFTA Adjustment Fund, which has already been capitalised with US\$1 billion and we intend to mobilise up to US\$10 billion to support industrial development initiatives that are aimed at boosting productive capacity to enable trade in manufactured goods and rely less on trade in unprocessed commodities. We have also launched an AfCFTA Automotive Strategy and established an Automotive Task Force. The next step is to operationalise the US\$1 billion fund in collaboration with the Afreximbank and African Association of Automotive Manufacturers (AAAM).

Your Excellencies,

The AfCFTA is being rolled out on a two parallel tracks, the first track is implementation, which is already underway. The second track is the conclusion of the negotiations on the two remaining protocols. Regarding the implementation track, a number of protocols are being implemented at national and continental level. For example, trade amongst state parties that have the necessary legislation in place, is taking place in accordance with the modalities of the Protocol on Trade in Goods of the AfCFTA. Today, for the first time ever, "made-in-the AfCFTA" goods are being traded, across regional economic communities, on the basis of preferences of the AfCFTA.

Indeed, numerous trades have taken place; from the consignments of Kenyan tea and locally made car batteries exported to Ghana; shipment of palm oil, ceramic tiles, and other manufactured products.

Recently, it was reported that a trader in Tanzania had received an AfCFTA certificate of origin which allows him to benefit from reduction in customs duty from 35 percent to 12 percent. We must focus on small holder farmers, on SMEs to underscore our commitment to inclusive benefits of trade.

Another area of ongoing implementation is The Protocol on Dispute Settlement for the resolution of disputes that are covered by the AfCFTA, which is an important tool for ensure predictability and certainty of the internal market.

As we speak, negotiations on investment, intellectual property rights and competition policy have been adopted by the Assembly of Heads of State & Government. These protocols are important as we seek to consolidate development gains of the AfCFTA. Competition policy, for instance, is important because anti-competitive practices that transcend national borders can undermine the development benefits of the AfCFTA. Regarding the track of negotiations, as I mentioned earlier, negotiations on protocols on digital trade (e-commerce) and women and youth in trade are also in progress. These are indispensable for the AfCFTA to support Africa's inclusive development.

Your Excellencies,

At the beginning I noted that this 20<sup>TH</sup> Agoa Edition is taking place when for the first time, the African continent has made progress in developing an internal market and establishing the rules for economic integration. That means that we have to re-think AGOA in this new context presented by the AfCFTA. Whatever the configuration for AGOA will be moving forward, I would offer the following points in framing the emerging context.

First, the alignment of the AGOA with the AfCFTA, must be a priority. We must ensure that AGOA supports implementation of the AfCFTA and that AGOA does not inadvertently undermine the economic integration progress that Africa has made through the AfCFTA. Amongst other areas for consideration in this regard, AfCFTA rules of origin and the need for AfCFTA cumulation with AGOA must be considered to ensure that we do not reverse the integration that we have painstakingly achieved so far.

Second, the recommendation by the ministers to explore other areas of alignments including investment, competition policies, digital trade and intellectual property rights takes us in the right direction.

I am encouraged that in my initial discussions with Ambassador Tai – about this newly emerged AGOA – AfCFTA context, the United States is sensitive to the need to implement AGOA in a manner that supports the implementation of the AfCFTA. I look forward to further discussions in this regard.

Thank you.