



AfCFTA One Year Later:

The Road Travelled and the Road towards
Launch of the Operational Phase



The 8th African Union Ministers of Trade (AMOT) Meeting ends with optimistic tone and clear way forward for the Official Launch of the Operational Phase of the AfCFTA

Africa is poised to launch the operational phase of the AfCFTA

By H.E. Amb. Albert M. Muchanga - Commissioner for Trade and Industry



The current issue of the DTI Newsletter celebrates the delivery of one of the Flagship Projects of African Union Agenda 2063: The Africa We Want. This is the African Continental Free Trade Area.

Through it, Africa is reshaping her small and fragmented markets to create one integrated market with large economies of scale and scope. The project brings with it additional protocols on Investment, competition policy and intellectual property rights.

Their negotiation will start this year and these protocols, when concluded, will greatly contribute to deepening economic

integration in Africa. With these additional protocols, we are further transforming Africa by removing physical and commercial barriers that have hitherto hindered trade among our countries. With this landmark achievement, the Continent is poised to develop a harmonized market space which will in turn promote the development of regional value chains that will be linked competitively to global value chains. The African Continental Free Trade Area is in this respect expected to promote the development of manufacturing and agro-processing across Africa, and with them, accelerated economic diversification and competitiveness.

Africa is poised to launch the operational phase of the African Continental Free Trade Area at an Extraordinary Summit of African Union Heads of State and Government to be held in Niamey, Niger on 7th July this year. In so doing, we aim at coming up with an active and efficient market.

The Department has been very active in other areas of Continental and international development cooperation as will be seen in the contributions in this edition. These are equally informative and will keep readers up to date on the work of the Department of Trade and Industry.

Accompanying the Implementation of the African Continental Free Trade Area: Part II

By Chiza Charles CHIUMYA - Officer In Charge, Trade Division



In Issue No. 5 of the TIC Talk Newsletter, the Technical Note therein celebrated the signing of the African Continental Free Trade Area (AfCFTA) Agreement that took place during 10th African Union Extra Ordinary Summit of Heads of States and Government.

The Technical Note emphasized the need to ensure that the AfCFTA is accompanied by implementation of all the necessary and sufficient flanking measures so that it yields the expected results and thereby achieves what is has been designed to do. In this regard, it dwelt much on the need to fully implement the Action Plan for Boosting Intra African Trade given that its programs and actions are

aimed at dealing with all other bottlenecks that affect intra African trade including issues of inconsistent trade policies, inadequate trade facilitation, availability and accessibility of trade finance, and trade information asymmetries, among others.

Thereafter, a lot of progress has been registered towards the entry into force of the Agreement. Among others, as we went to press, 53 out of the 55 member States of the African Union had signed the Agreement and on 30th April, history was once again made as the required 22 deposits of instrument of ratification, required for the Agreement to enter into force, were attained. Thus the AfCFTA Agreement enters into force on 30th May,

2019. Given the signatures and the ratifications so far, the African 32nd Summit of Heads of States and government decided to hold a commemorative Extraordinary Summit in July 2019 in Niamey, Niger. This will be very symbolic as the President of the Republic of Niger H.E. Mahamadou Issoufou is the Champion of the AfCFTA. If all the 55 members of the African Union sign and ratify the Agreement, the AfCFTA will have the largest membership of a Free Trade Area in the world since the launch of the GATT (now the World Trade Organization, WTO) 70 years ago.

This Technical Note takes the discussion further by looking at other aspects that would

enable the AfCFTA to deliver upon its promises to the African people.

The first aspect of the same is to ensure that the AfCFTA is mainstreamed in the trade policies at both the national and regional levels. The AfCFTA will not operate in a vacuum of other trade arrangements, either bilateral or multilateral. The implementation of the other trade arrangements may either foster or hinder the functioning of the AfCFTA.

The key therefore is to clearly identify interoperability of these agreements and arrangements with the AfCFTA. The guiding light for all stakeholders therefore needs to be that this is the first time in the history of African Integration that a trade agreement covering the entire continent has been birthed. It is this same wisdom that guided both the 31st and 32nd Ordinary Summits of the African Union to urge and reiterate the need for Member States to abstain from entering into bilateral trading arrangements until the entry into force of the Agreement establishing the AfCFTA.

To buttress the first point, the second aspect is for State parties to the AfCFTA Agreement to invest effectively in the process of developing AfCFTA National Strategies as well as establishing National AfCFTA Committees. The Strategies are key in providing the required direction on how each respective State party plans to utilize the Agreement and the National

Committees will ensure the proper coordination of all stakeholders in both the implementation of the Strategy and in establishing a continuous loop of consultations especially among the civil society, and the public and private sectors. It will also be value adding to have Regional AfCFTA Strategies and Committees in the same breath.

The third aspect is to ensure that there is adequate information about the AfCFTA at all levels. This will require a vigorous period of sensitization campaigns. Whilst this process has been ongoing for a while and larger African masses have heard about the AfCFTA, there is need now to inform the populace and other stakeholders that the Agreement has now entered into force and that its time for them to utilize the same.

The messaging therefore needs to deliberately target how the Agreement can be utilized. The private sector, organized or otherwise, who are the main beneficiaries of this agreement will need to be specifically targeted with this information. Accessibility of information on the AfCFTA will therefore need to be given special priority taking into account the modes of access as well as the languages of the continent. Thus a robust communication Strategy should form part and parcel of the AfCFTA roll out implementation plan.

For all the above to work seamlessly especially at the onset of the Agreement, the African Union needs to move

swiftly in establishing the various institutions envisaged in the Agreement.

The mandate to establish some of these institutions has already been given to the African Union Commission but the Commission will require all the necessary support from Member states as well as partners to make the same possible. For instance, the establishment of the AfCFTA Secretariat and the African Trade Observatory, which is already underway needs to be expedited. Having the supporting institutions in place at all levels will play a vital role in the implementation and administrations of this landmark Agreement.

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AfCFTA One Year Later: The Road Travelled and the Road Towards Launch of the Operational Phase

By H.E. Amb. Albert M. Muchanga - African Union Commissioner for Trade and Industry



In this commemorative article, the African Union Commissioner for Trade and Industry outlines what has been achieved since the AfCFTA Agreement was opened for signature on 21st March, 2018 in Kigali, Rwanda and what is expected as the African Union moves to launch of the operational phase of the continental market in July this year.

On 21st March this year, the Agreement Establishing the African Continental Free Trade Area marked one year of existence. It was opened for signature on 21st March, 2018 at an Extra-Ordinary

Summit of the Assembly of African Union Heads of State and Government in Kigali, Rwanda. At that Summit, forty-four African Union Member States signed the historic Agreement. The number rose to forty-nine at the July, 2018 Nouakchott, Mauritania Summit. Three more signatures were added during the February, 2019 Addis Ababa Summit, bringing the figure to fifty-two as we commemorate the first Anniversary of this major milestone in Africa's resolute use of the lever of continental economic integration to deliver prosperity to her people in line with Agenda

2063: The Africa We Want.

Making the Agreement operational is as important as having signatories. While awaiting the remaining three Member-States to sign on, Africa is progressing very well in the direction of securing deposits of instruments of ratification on the Agreement Establishing the African Continental Free Trade Area. So far, twenty-four National Parliaments of the African Union Member-States have approved ratification of the Agreement, with twenty Member-States depositing their instruments of ratification. At this point in time, Africa is just short of



two deposits of instruments of ratification to have the Agreement enter into force, thirty days after receiving the twenty second instrument of ratification. At the time of going to press, the remaining two Member States assured the Chairperson of the African Union Commission that they would shortly be depositing.

It has been a momentous year of hard and smart work to create an African Continental Free Trade Area with commercial substance. As we commemorate the first year of this large market space, we do so with concrete achievements. The African Continental Free Trade Area is already delivering results well before it enters into force. In December, 2018, we held the First Intra-African Trade Fair, in Cairo, Egypt, which attracted above target exhibitions and business transactions. At the Cairo Fair, we had 1,086 exhibitors, 86 above target. We also had business deals over US\$32 billion, well above the target of US\$25 billion. This sterling achievement signals the potent force of the Intra-African Trade Fair as a viable platform and brand for trade

information as well as actual growth of intra-African trade.

Africa is on target to launch the operational phase of the African Continental Free Trade Area in July this year in Niamey, Niger where we shall hold another Extra-Ordinary Summit for that purpose as well as formally commemorate its First Anniversary. During the launch, the African Continental Free Trade Area shall be fully supported with well-defined rules of origin; schedules of tariff concessions in trade in goods; an online continental non-tariff barriers monitoring and elimination mechanism; a Pan-African digital payments and settlement platform as well as an African Trade Observatory portal. After July this year, traders across Africa will be able to make use of preferential trading arrangements offered by the Agreement Establishing the African Continental Free Trade Area as long as the trade relations involve the twenty-two or more countries that would have deposited instruments of ratification as well as conform to agreed provisions on rules of origin governing trade in the African

Continental Free Trade Area.

The Assembly of African Union Heads of State and Government shall, at the Niamey Extra-ordinary Summit also make a decision on the location of the secretariat of the African Continental Free Trade Area which will have the principal function of implementing the Agreement through a focused work programme. Seven Member-States: Egypt, Eswatini, Ethiopia, Kenya, Ghana, Madagascar and Senegal submitted bids by the deadline of 20th March this year. An assessment mission will be visiting these countries during May on the basis of which a report will be prepared for consideration by the African Ministers of Trade and the Extra-Ordinary Summit. It is the results of the assessment mission which will guide the Extra-Ordinary Summit on deciding the host of the permanent AfCFTA Secretariat. We wish all the bidders, good luck.

The work for the interim and permanent secretariats of the AfCFTA is already being cut out for them. A post launch AfCFTA implementation plan is under preparation and will be submitted to the African Ministers of Trade in the first week of June this year, who, if satisfied with it, will convey it to the Extra-Ordinary Summit for its consideration and adoption in July this year.

The vision is to create one African market. In this respect, the historic obligation for each and every Member State of the African Union is to sign and ratify the Agreement Establishing



the African Continental Free Trade Area. As we move towards celebrating the joyous occasion of the First Anniversary, we call, in the full spirit of Pan-Africanism and oneness; on all African Union Member-States to sign and ratify the Agreement before the July, 2019 Extra-Ordinary Summit.

In launching the African Continental Free Trade Area and making it work, Africa is overcoming the historic fragmentation and isolation of her economies by opening up huge commercial opportunities as well as improving transport and communication linkages among our countries. This aggregation and connectivity are forces for accelerated growth and sustainable development of African countries will enable us and realize the vision of the African Union and Agenda 2063: 'An

integrated, prosperous, and peaceful Africa, driven by its citizens, representing a dynamic force in the global arena.'

We are creating more than a free trade area. In January, 2018, the Assembly of African Union Heads of State and Government launched the Single African Air Transport Market as well as opened for signature, the Protocol to the Treaty Establishing the African Economic Community Relating to the Free Movement of Persons, Right of Residence and Right of Establishment. Moving forward, Africa shall, during this year, conclude work on schedules of specific commitments on trade in services as well as commence negotiations on Protocols on Investment, Competition Policy and Intellectual Property Rights. All these developments show that

Africa is laying the ground work for the establishment of an African Common Market or Internal Market, in line with the Treaty Establishing the African Economic Community, signed in Abuja, Nigeria in 1991 and ratified in 1994. To this end, the February 2019 Assembly of Heads of State and Government directed the African Union Commission to undertake a readiness assessment for this stage of deeper economic integration and policy harmonization among African countries. Work is already underway to implement this strategic Summit decision.

With a strong foundation that has been created, Africa is now better positioned to speak and act as a united entity in global trade negotiations and in the process, leverage her strength to secure trade and investment deals that offer accelerated and inclusive



sustainable development for her people. There is hence political, economic, commercial and diplomatic value in establishing the African Continental Free Trade Area. Indeed Africa is, by creating the African Continental Free Trade Area also signalling to the wider world that she is committed to multilateralism and global interdependence. In this respect Africa calls on the rest of the world to re-commit in using and strengthening the multilateral trading system to promote shared prosperity among all the people of the world.

The African Continental Free Trade Area is an inclusive undertaking for Africans from all walks of life: Government, Civil Society, Academia, Women, Youth, Diaspora, Labour, Entrepreneurs and several other stakeholders at the national level. With a view to broadening stakeholder

involvement, the United Nations Commission for Africa is collaborating with the African Union Commission to assist African Union Member-States to formulate and implement National African Continental Free Trade Area Implementation Strategies, with appropriate national institutional arrangements. This will achieve two strategic objectives. In the first instance, Africa shall be bringing her continental integration project closer to the people. Secondly, African Union Member-States shall be able to align national development policies and programmes to the African Continental Free Trade Area legal provisions and work programme. With such alignment and policy harmonisation, Africa's prospects for rapid socio-economic development will be enhanced.

When Africa looks back to the Kigali Extra-Ordinary Summit, she does so with pride and satisfaction that a lot has been achieved in this one year. True, a lot remains to be done in the years ahead. But Africa is committed to build on this momentum and achieve much more to deepen her economic integration.

It is in this spirit that we invite all Africans on the Continent, in the Diaspora and the friends of Africa to commemorate this historic day in July this year. In so doing, Africa shall be communicating to herself and the rest of the world, her resolve to create one African market and use this continental market to deliver accelerated and inclusive sustainable development as well as contribute to strengthening the multilateral trading system.

The 8th African Union Ministers of Trade (AMOT) Meeting ends with optimistic tone and clear way forward for the Official Launch of the Operational Phase of the AfCFTA



The Eighth Meeting of the African Union Ministers of Trade (AMOT) was held from 7 to 8 June 2019, at the African Union Headquarters, Addis Ababa, Ethiopia.

The purpose of the Meeting was to consider the report of the Eighth Meeting of the Senior Trade Officials as well as preparatory work for the 12th Extraordinary Summit to be held in Niamey, Niger on 7th July 2019. The Meeting was attended by AU Ministers of Trade from Member States and officials from the African Union Commission (AUC), Arab Maghreb Union (UMA), the Common Market for Eastern and Southern

Africa (COMESA), the East African Community (EAC), the Economic Community of Central African States (ECCAS), the Economic Community of West African States (ECOWAS), the Intergovernmental Authority for Development (IGAD), the Southern African Development Community (SADC), and observers from the African Development Bank (AfDB), the African Import and Export Bank (Afreximbank), United Nations Conference on Trade and Development (UNCTAD) and United Nations Economic Commission for Africa (UNECA).

In her opening speech, on behalf of Dr Vera Songwe, Ms Giovanie Biha, the Deputy Executive Secretary of the Economic Commission for Africa (ECA), noted that the 8th Meeting of the African Union Ministers of Trade comes at a critical juncture for the AfCFTA. She stressed that after the well justified celebration that accompanied the launch of the AfCFTA in Kigali last year, Member States must now prepare for its operationalization. "As a flagship initiative of the African Union's Agenda 2063, the AfCFTA is not merely a project of a small sub-set of African Union members.

We should aim for no less ambition than every country in this continent signs and ratifies the Agreement, to ensure that our continent moves forward collectively, and meaningfully, in trade integration”, she underlined. She applauded the signatory countries and invited the few countries that have not yet signed to rapidly join and ratify the Agreement to make progress with the AfCFTA implementation roadmap and ensure that the continent moves forward together as one entity.

She concluded her speech by emphasizing that the Economic Commission for Africa (ECA) is working with 15 African countries to develop National AfCFTA Strategies to guide implementation. The organisation is also hosting 3 regional AfCFTA forums to build advocacy, and is developing an AfCFTA Country Business Index to support monitoring and evaluation with wholly new primary data. The ECA had reaffirmed its readiness to support and assist all stakeholders to ensure that the AfCFTA is effectively implemented for real development benefits in Africa.

The Commissioner for Trade and Industry, His Excellency Amb. Albert M. Muchanga, welcomed the African Ministers of Trade to the AU Headquarters and emphasized that the primary purpose of the meeting was to prepare for the 12th Extraordinary Summit which is scheduled to take place on 7th July 2019 in Niamey,

Niger. He informed the Ministers that the AfCFTA Extraordinary Summit would be preceded by side events such as Civil Society Forum on 3rd July and Business Forum on 6th July, 2019. He indicated that the meeting during the Summit would launch some supporting tools for the AfCFTA and it was therefore important that the Ministers conclude them. The supporting tools he mentioned were: the Pan-African Payments and Settlements Platform; Online Mechanism for Monitoring, Reporting and Elimination of Non-Tariff Barriers within the AfCFTA; The password protected online portal for tariff concessions and Dashboard of the African Union Trade Observatory. In addition, the July Summit is expected to adopt the agreed Rules of Origin for the AfCFTA. The Commissioner thanked the Ministers for their strategic guidance which contributed to the successes so far achieved during the whole AfCFTA process. “If you Honourable Ministers fail to resolve the outstanding issues on the supporting instruments, the message that will be going out is that nobody seems to care about authority anymore!

I am sure you Honourable Ministers do not want to convey such a powerful and negative message” he articulated. He also urged them to provide the necessary political oversight to the remaining negotiations on the AfCFTA while providing further guidance to any remaining sticky areas.

He advised the meeting that business was ready to trade and was now waiting for finalization of the outstanding work to enable them to take advantage of the enlarged market. He also informed the Ministers that the AMOT report will feed into the Report of the AfCFTA Champion, the President of Niger who will be hosting the meeting. The Champion’s report will be considered in a closed session of the Summit and decisions will be adopted by the Summit on the basis of the Champion’s Report.

The Chairperson of the AMOT, Honourable Amelia Kyambadde welcomed Ministers of Trade and started out her remarks by commending the active participation of all AU Member States that have enabled achievement of the entry into force on 30 May 2019 of the Agreement establishing the African Continental Free Trade Area (AfCFTA).

She thanked the AMOT and the bureau for the support rendered to Uganda during her chairmanship and highlighted the key areas of success attained during the previous year being: the entry into force of AfCFTA on 30th May 2019; agreed product specific rules of origin at 88 percent; Africa Trade Observatory; NTB monitoring and elimination mechanism; and approved guidelines and roadmap for the negotiations of trade in services. She underscored that with the entry into force of the AfCFTA, the focus

should now shift to how Africa can strategize to take advantage of the huge market opportunities and boost intra Africa trade. "Africa's population has been on the increase over the past 50 years. The continent is home to over 1.2 billion people, over 60% of whom fall below the age of 25. The population of Africa is projected to double by 2050 to around 2.4 billion people", she mentioned. She highlighted five key priorities for Member States as Boosting of Intra-

Africa Trade; Infrastructure interconnectivity and trade facilitating logistics; Industrialisation and development of regional value chains; Employment; and beneficiation of minerals and natural resources. Before she concluded, the Chairperson stressed that a united Africa will be powerful, attractive to investment and a solid negotiating force. While noting that there is still outstanding work on product rules of origin, finalization of tariff offers, trade in

service market schedules and trade remedies, she urged Ministers, to take the opportunity to transform Africa for the benefit of future generations.

PDAC 2019: Commissioner Muchanga urges Canadian Investors and African Diaspora to invest in Africa as the Continent is creating a large market anchored on the African Continental Free Trade Area (AfCFTA)



Activities

The African Union Commission (AUC) participated in the Prospectors and Developers Association of Canada (PDAC) Trade Show event from 03-06 March 2019.

The key objective of the African Union Commission led Delegation was to provide a platform for business dialogue and establishment of linkages between the African Private Sector, the diaspora and the Canadian Private Sector with a view to promoting investments in the exploitation of mineral resources and to share best practices in Public Private Partnerships.

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It was also an opportunity for the AUC to promote value addition and commodity-based industrialization as part of the African Union Commodity Strategy guided by the aspirations of the Agenda 2063 and the principles of the Africa Mining Vision.

PDAC is the leading voice of the mineral exploration and development community. With over 8,000 members around the world in all sectors of the mining industry, the PDAC's mission is to promote a globally-responsible, vibrant and sustainable minerals industry.

As the trusted representative of the sector, PDAC encourages best practices in technical, operational, environmental, safety and social performance.

The African Union Commission's Delegation was led by H.E. Amb. Albert Muchanga, Commissioner for Trade and Industry of the African Union Commission including the Chairpersons/Presidents of the African Chambers of Mines and Other Mining Associations of Africa (ACMMAA) and Sub-Regional Associations of the Chamber of Mines for Eastern, Central and Southern Africa.





In his keynote speech at the 20th Annual African Mining Breakfast hosted by the Canada-Africa Chamber of Business and MineAfrica Inc., H.E. Amb. Albert Muchanga underscored the importance of government to ensure that they have stable mining law and policies in order to attract & sustain investments. Commissioner Muchanga informed the audience that the African Union Commission is in the process of drafting a Commodity Strategy to complement the Africa Mining Vision (AMV) in value addition.

“This will be anchored on the development of Regional Value Chains. We are also working on Protocols of Investment, Competition Policy and IPRs. These will make Africa more attractive to investment”, he underscored. The Commissioner for Trade and Industry furthermore, announced that the operational phase of the African Continental Free Trade Area (AfCFTA) which offers large market opportunities for large scale and long term investments, will be launched in July 2019 in Niamey, Niger.

“The market will have rules of origin, schedules of concessions on tariffs on trade in goods, non-tariff barriers monitoring mechanism, digital payments and settlements platform as well as a Trade Observatory. We are hence launching a market that will be ready for use by the market players”, he echoed and adding that Africa is going into beneficiation through the development of regional value chains, in line with the AMV.

In his opening address, H.E. Assefa Kumssa, State Minister, Mines and Petroleum of the Federal Republic of

Ethiopia, highlighted the importance of geological data regretting that there is not enough investment in this particular area in Africa.

“If we make this investment, we can negotiate with companies from an informed perspective. We can also attract higher quality exploration companies”, he mentioned.

The Honourable State Minister also pointed out that African Governments should ensure that there is generational benefit from the natural resources the continent is endowed with. He indicated that one of the tools for achieving this, is through fiscal regimes such as royalties and taxation with a long term perspective as they need to be fair, transparent and predictable.

Before he concluded, the State Minister Kumssa informed the Seminar that Ethiopia is currently working closely with the Canadian International Resources and Development Institute (CIRDI) which, he said, is the genesis of the Ethiopian Mining Reform in line with the Africa Mining Vision. “All reforms we are

implementing are mapped against the 9 clusters of the AMV, firmly rooting our mining strategy, policy and legislation within a broader continental framework”, he concluded. Earlier on 3th March 2019 the AUC organized the first ever African Union Diaspora Minerals Forum. The objective of the forum, was to develop a platform for dialogue between the African Diaspora in Canada and the AUC delegation to PDAC.

The forum was also set with a view to facilitating consultation and engagement on selected topics related to Mineral Resources Development and Africa’s Broader Development Agenda. In his opening statement, Commissioner Muchanga reiterated to the African Diaspora that Africa is creating a large market anchored on the AfCFTA and call on them to set up a mechanism in order to grow into a vital platform for continuous dialogue and networking.

At the PDAC 2019 Trade Show, the AUC managed to secure a booth that provided high visibility for its activities as well as for other African countries.

It provided essential contacts and information about the AUC and also displayed information from across the continent on mineral resources development to be provided by the Sub-regional Associations of the Chamber of Mines.

At the PDAC 2019 Closing Ceremony, the African Delegation including the Commissioner for Trade and Industry of the AUC, H. E. Amb. Albert Muchanga, got for the third time, the privilege to close the Toronto Stock Exchange Index (TMX).

// We are witnessing growing remittances by the African Diaspora.

These are projected by the World Bank to be US\$939 billion this year. The African Diaspora has embarked on feasibility study to set up investment facility on the Continent. //

Fostering Customs Cooperation with the Regional Economic Communities and Building Capacity on Harmonized System

By Dhunraj Kasseer - Senior Policy Officer, Customs Cooperation Division



The institutional architecture as enshrined in the Abuja Treaty recognizes the eight (8) Regional Economic Communities (RECs) as 'building blocks' necessary for the establishment of the African Economic Community.

However, it is an undeniable fact that these RECs are actually governed by specific mandates, objectives, plans and programmes in addition to different institutional and legal framework hence the pressing need for proper coordination

and cooperation. It is in that regard that a forum, very well known as the 'AUC-RECs Customs Coordination Committee' was established around 2008/2009.

The principal objective of the Coordination Committee is to provide for the proper coordination of projects, programmes and activities necessary for an efficient, effective and orderly implementation of the customs cooperation and trade facilitation measures under the Abuja Treaty.

It is expected that this will also limit, if not eliminate the duplication of efforts and resources into competing projects and activities and will provide a platform for generating synergies, sharing of experiences and best practices and mutual assistance etc. Since then, the Committee have met for eight times and the last meeting of its kind was held in February 2019 in Arusha, Tanzania.

The major objective of the 8th meeting was, inter alia, to update and exchange ideas on the various customs modernization and trade facilitation initiatives being implemented by the RECs, as well as to ensure the proper coordination of projects, programmes and activities between the Customs Departments of the RECs and the Customs Cooperation Division of the Commission more specifically within the context of new developments such as the development of the AU Trade Facilitation Strategy and the African Continental Free Trade Area (AfCFTA).



Participants attending the AUC-RECs Coordination Committee meeting in Arusha, Tanzania

It is expected that the deliberations would also permit an effective implementation of the recommendations and decisions of the AU Sub Committee of Directors General of Customs (AUSCDGC) - a statutory body created by the Assembly to deal with Customs and Trade Facilitation matters at the African Union level.

The meeting was attended by experts from seven out of the eight RECs namely COMESA, EAC, ECOWAS, ECCAS, IGAD, SADC and UMA Secretariats, the World Customs Organization (WCO), UNCTAD, UNECA and the Regional Office for Capacity Building (East and Southern Africa and West and Central Africa region).

It is worth noting that other Partners and Organizations were added into this essential grouping with the same view to ensure that there is no further duplication of efforts and resources while the required synergies are in fact strengthened with the ultimate aim of advancing the continent in the supply chain of goods.

Speaking during the official opening session, the Director of Trade at the EAC Secretariat, Mr Alhaj Rashid Kibowa stated that the Sub-Committee Meeting on Customs Cooperation is an opportunity for AUC and RECs to strengthen cooperation on matters regarding Customs as well as trade facilitation

He urged the participants to discuss in details matters of cooperation in Customs and come up with the way forward so as to enable proper coordination among the RECs to avoid duplication and mainly to put in good use the limited resources available.

Earlier, the Head of the Customs Cooperation Division, Mr Aly Ibouira Moussa had reminded delegates of the important role played by RECs in Africa's Regional Integration Agenda as well as in facilitating trade in respective regions.

Interestingly, the meeting that was in fact hosted by the EAC Secretariat, also benefitted from the presentation of the new EU-WCO Programme for the Harmonized System in Africa.



Participants at the African Union Commission for the launch of the EU-WCO Programme for the Harmonized System in Africa.

The Harmonized System is actually an international terminology for the classification of products and allows participating countries to classify traded goods on a common basis for customs and trade related purposes.

This programme is funded by the European Union (EU) as part of the EU's External Investment Plan and the Joint Africa-EU Strategy and implemented by the WCO.

It is designed to complement other efforts aiming at the implementation of the African Continental Free Trade Area (AfCFTA) and the World Trade Organization Trade Facilitation Agreement (WTO-TFA). The longer-term objective is to provide African countries with the

required organizational capacities and resources to apply future HS versions (especially HS 2022) in a timely and coordinated manner throughout the respective regions and the entire continent.

The official launch of the Project was in fact done in Addis Ababa, Ethiopia at the seat of the African Union Commission on the 27th February 2019.

A considerable number of Member States and RECs were present at the event. Member States and RECs have been strongly urged to take advantage of this initiative that will not only build capacity on the Harmonized System but also ensure proper tariff negotiations in the context of the AfCFTA.

While officially launching the Programme, the Director of the Department of Trade and Industry, Mrs Treasure Thembisile Maphanga stressed that there is need for Africa to have the capacity to play an equally important role to ensure that those commodities which are of interest to the Continent are properly identified, described and coded.

Role of Customs Administrations during Preparations of the Schedules of Tariff Concessions under the AfCFTA

By Willie Shumba, Senior Expert, Customs



The 32nd Ordinary Session of the African Union Assembly of Heads of State and Government, which met in January 2019 in Addis Ababa, amongst its resolutions, endorsed a template on tariff liberalization, which will be used by Member States in preparing the schedules of tariff concessions under the African Continental Free Trade Area (AfCFTA).

Member States will then use the template to identify those goods which would be granted duty free concession under the AfCFTA. In addition, the template also provides details of the sensitive products that would be liberalised over a longer period and goods on the exclusion list.

The decision by the 32nd Ordinary Session requested the African Union Ministers responsible for trade to submit the schedules of tariff concessions, in line with agreed modalities to the July 2019 Assembly for adoption.

Overview of Modalities on Tariff Liberalization

The modalities for tariff liberalization are based on 90% of the tariff lines being duty free within a period of five years for LDCs and 10 years for non-LDCs. The remaining 10% covers both sensitive products and those on the exclusion list. Sensitive products should not exceed 7% of total tariff lines, whereas the exclusion list should not exceed 3% of total tariff lines and not constituting

more than 10% of intra-African imports.

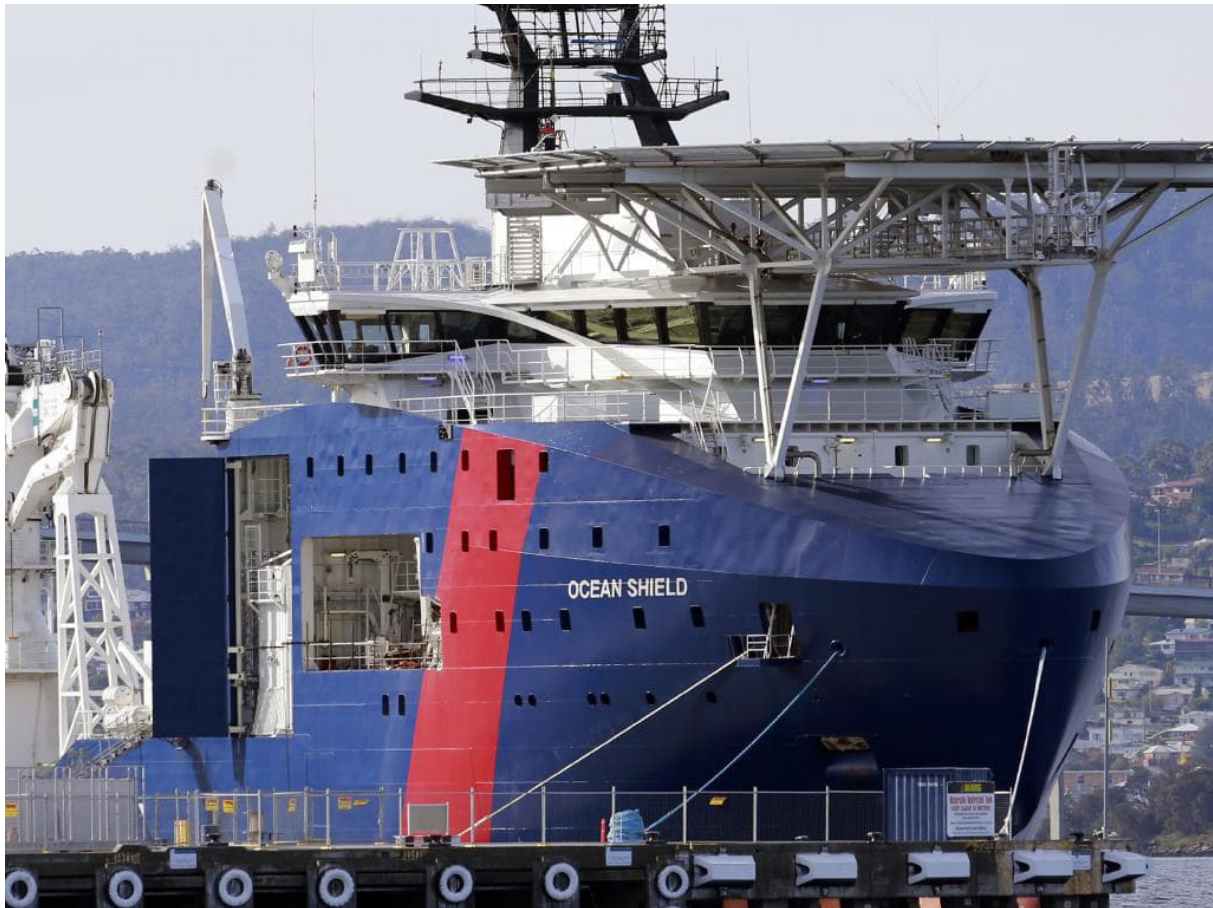
The exclusion list would be subjected to double qualification and anti-concentration clauses where the excluded products should not exceed 10% of total import value from other State Parties.

In other words, products to be excluded from liberalization will represent no more than 3% of tariff lines accounting for no more than 10 percent of the value of imports from other African countries. This was to ensure a commercially viable AfCFTA. There is a transitional period of 5 years or less that may be used for countries which require flexibility before the start of liberalization of sensitive products.

This means that during this period, tariffs applicable to sensitive products may be maintained as long as they are eliminated by the end of the phase-down period provided for under the modalities. Sensitive products will be liberalized over 10 years for developing countries and 13 years for the LDCs.

Role of Customs

As Member States embark on preparation of tariff offers, Customs administrations will have



a role to play in the data analysis and giving the necessary support to their respective governments. The modalities already refer to certain Customs elements such as tariff lines, use of statistics and valuation.

Amongst others the following three roles illustrate the relevance of Customs administrations in the process of preparing tariff offers:

Interpretation of the Harmonized System

The Harmonized System (HS) is based on the World Customs Organization's (WCO) "International Convention on the Harmonized Commodity Description and Coding System" which entered into force in 1988.

It is an international legal instrument which has been adopted globally as a method of coding goods and it uses standard commodity descriptions. Through the use of numeric coding of commodities, goods are methodically grouped and classified into sections, chapters, headings and subheadings. The HS has gone beyond describing and coding goods. It is also used for such other purposes such as the collection of statistics, trade negotiations, allocation of rates of customs duties, and in determining certain rules of origin.

The WCO's HS is based on 6 digits and has a total of 5387 tariff lines. Countries using the HS are at liberty to further identify goods

or provide splits going beyond the 6 digit to, for example, the eight or more digits in order to meet national or regional requirements.

It will follow that countries using the 8 or more digit code will have more than 5387 tariff lines. The WCO and its regional structures together with Customs administrations have invested resources in the training of customs officials in order to build the necessary required skills for the implementation of the HS. Collaboration with and the engagement of Customs administration at national level will be able to assist Governments in the preparation of tariff concessions. Member States can therefore utilize the Customs skills in identifying



goods of interest to them and ensuring that such commodities are appropriately identified and coded.

Interpreting Issues Relating to Rates of Duties

The HS is used as a tool for the allocation of rates of customs duties to the various tariff lines and codes. These tariff rates come in various forms. They can be ad valorem (percentage of value) or specific rates (when customs duty is based on some specific measurable units such as quantity).

The rates can also be given as alternative rates (which provides the use of either/ or as options) and at times it can be a combination of the different formats. The interpretation of these rates is required to determine the possible losses or gain or impacts on revenue collection per tariff line or global. The expertise of Customs would again be required in reading or utilising the information.

Statistics

Many Governments utilize Customs services in the collection of raw trade data. The data is then passed on to the appropriate national agencies for processing into national statistics. Customs Administrations would therefore also be able to assist with the supply, clarifications or interpretation of certain data within their competencies. Preparations of tariff offers, sensitive or exclusive lists involve the use or simulation of basic information such as quantities and valuation of goods imported.

The involvement of Customs in the completion and submission of the template of tariff liberalization is important. It is therefore important for Member States to engage with their own Customs administrations and to tap on the available expertise as they prepare tariff offers. Customs administrations are just one of the agencies which can assist in the preparation of the schedules of tariff concessions. Some of these agencies would be departments responsible for eg Finance, Economic Planning, Statistics, Foreign Trade and the Central Banks.

There is therefore need for Customs to engage with other stakeholders in this exercise. Member States also need to be aware of the resources or expertise, which includes Customs, and which they can utilize during the preparation of tariff offers.



The African Union Commission participates in the 2nd High-Level UN Conference on South-South Cooperation (BAPA + 40) in Buenos Aires, Argentina



A delegation from the AU Commission led by AU Commissioner for Trade and Industry, H.E. Albert M. Muchanga and AU Commissioner for Economic Affairs, H.E. Pr. Victor Harison, is participating in the 2nd High-Level UN Conference on South-South Cooperation (BAPA + 40), which takes place from 20 to the 22 of March 2019 in Buenos Aires, Argentina under the theme “The role of South-South cooperation and the implementation of the 2030 Agenda for Sustainable Development: Challenges and opportunities”.

The Official opening was presided by H.E. Mr. Mauricio Macri, President of Argentina, in presence of the President of Uruguay, H.E.

Mr. Tabaré Vázquez, and the UN Secretary General, H.E. Antonio Guterres as well as other Dignitaries.

The President of Argentina reminded the Delegates that 40 years after the Buenos Plan of Action was adopted in Argentina in 1978, the issues and challenges that led to the said Plan remain relevant, although the context was different.

In his statement, the UN Secretary General highlighted five key issues, which could be improved through South-South Cooperation: rising social inequalities, climate change, and infrastructure and power deficit, gender inequalities and support for multilateralism.

During the next two days, the delegates will review and adopt the Draft Outcomes Document, which will charter a new course for South-South cooperation over the next decades.

On the eve of the Official opening of the BAPA+40 Conference, on March 19, 2019, AU Commissioner for Trade and Industry, H.E. Albert M. Muchanga and AU Commissioner for Economic Affairs, H.E. Victor Harison shared the experience of the African Union in building and strengthening South-South Cooperation among African regional economic communities, during two side events: the first was the High Level Panel Session jointly organized by the Organization Internationale de la Francophonie (OIF)

and the UN Office for South-South Cooperation (UNOSSC), Regional Representation for Africa under the theme “Enhancing South-South Cooperation through the African Continental Free Trade Area (AfCFTA) and Promotion of the interconnection of Francophone economic areas through South-South and tripartite cooperation.” During this Session, Commissioner Muchanga highlighted that the AfCFTA opens new avenues for enhanced South-South Cooperation among between African regions as well as between Africa and other countries or regions of the South.

Some of the areas of cooperation include conclusion of trade agreements with other regions of the South, the development of regional value chains for commodities such as cotton, as well as trade and investment promotion through events such as the Intra-African Trade Fair (IATF).

In this regard, Commissioner Muchanga indicated that a number of countries from the South (China and Indonesia) had countries’ pavilion at the inaugural IATF in Cairo, Egypt, in December 2018 and several others where represented through their companies. He invited more countries from the South to attend the second edition, which will take place in August, 2020 in Kigali, Rwanda.

In his intervention, H.E. Prof. Victor Harison, AU Commissioner for Economic Affairs, highlighted one of the African Union's strategies for achieving Agenda

2063 goals is “productive transformation”. According to Prof. Harison, this would allow to (i) add value to unprocessed raw materials before export, (ii) create decent and productive jobs for the growing youth on the continent, and (iii) ensure the integration of African economies into the global economy. He also invited partners from the South region for co-production, co-investment and joint-ventures, particularly in the sectors of agriculture and digital economy, recalling the natural resources and minerals available to the continent.

The second Session was organized by the Association of South East-Asian Nations (ASEAN), on the theme “Shaping the Future of Regional South-South Cooperation: Sharing the ASEAN Experiences and Nurturing Synergies across Regions.” During his intervention, Commissioner Muchanga highlighted that the AfCFTA opens new avenues for enhanced Cooperation between Africa and ASEAN. As Africa moves to set up AfCFTA institutions and implement the Agreement, ASEAN's experience would be very useful.

On the sidelines, Commissioner Muchanga also held a bilateral meeting with Achim Steiner, the UNDP Administrator. He briefed him on the various programs that the AUC is implementing, including the progress in the AfCFTA process.

On his part the UNDP Administrator commended the progress being made in Africa including on south

–south Cooperation. He requested the Commissioner to convey to the AUC Chairperson, UNDPs commitment in supporting Africa’s women and youth programs including providing funding for the recruitment of 20 Women under the AUC Junior Professional Program, the AUC governance programs and as well as holding a retreat on the new role of the NEPAD-AUDA.

Commissioner Muchanga is also expected to participate in the Panel discussion on “South-South Cooperation for Economic Integration: UNCTAD’s Platform” on March 21, 2019, which will discuss opportunities that BRI could provide in facilitating knowledge sharing and policy experience exchange among developing countries.

Commissioner Harison is also expected to participate in the Panel discussions on “Transition to sustainable development: New pathways for co-operation to fulfil Agenda 2030” organized by the Organisation for Economic Co-operation and Development (OECD) and “Illicit financial flows and illicit trade in Africa” jointly organized by UNCTAD and United Nations Development Programme (UNDP).

Commissioner Muchanga and Commissioner Harison are supported Mr. Jean Bertrand Azapmo, Regional Trade Adviser, Mr. Charles, Mr. Chiza Charles Newton Chiumya, Senior Trade policy officer, Mr. Mohamed El Alaoui, Officer, AU Permanent Mission to New York and Ms. Anais Georges, Special Assistant to AU Commissioner for Economic Affairs.

Cooperation between the African Union and Argentina: Commissioner Muchanga meets Amb. Jorge Marcelo Faurie, Minister of Foreign Affairs of Argentina



On the last day of the 2nd High-Level UN Conference on South-South Cooperation (BAPA + 40) that took place in Buenos Aires, Argentina, H.E. Amb. Albert M. Muchanga, AU Commissioner for Trade and Industry and Head of the AU Delegation, paid a courtesy call on H.E. Amb.

Jorge Marcelo Faurie, Minister of Foreign Affairs and Worship of the Republic of Argentina. The Meeting, which started at 11:00 hrs and lasted for close to one hour, provided an opportunity to review the state of cooperation and relations between Argentina and the African Union as well as

with the entire continent.

Commissioner Muchanga began by conveying to Minister Faurie the greetings of the Chairperson of the AU Commission, H.E. Mr. Moussa Faki Mahamat. He expressed his appreciation for the courtesy and hospitality afforded to

the Delegation of the AU Commission since their arrival in Buenos Aires on March 18, 2019. Commissioner Muchanga stated that the recurrent message from the BAPA+40 Conference was that "the principles and spirit, which came out of the Buenos Aires Conference in 1978 were still alive and growing".

One of the initiatives through which the Africa Union Commission is operationalizing South-South Cooperation is by promoting the African Continental Free Trade Area (AfCFTA), which will be officially launched in July 2019, in Niamey, Niger. The AfCFTA will in turn facilitate cooperation between Africa and other Regions of South.

Commissioner Albert Muchanga concluded by recalling the cooperation between Africa and Argentina on the issue of the Malvinas Islands as evidenced in the Declaration of the Malabo Summit.

Minister Faurie thanked Commissioner Muchanga for the courtesy call and renewed the appreciation of the Government of Argentina for the statement in the Declaration of the Malabo Summit on the Malvinas Islands. In addition, he inquired about the status of ratification of the AfCFTA and indicated that one avenue for South-South cooperation, which should be considered and pursued, is the cooperation between Africa, through the AfCFTA, and the Southern Common Market (MERCOSUR).

In this regard, Minister Faurie informed Commissioner Muchanga that the current President of MERCOSUR is a national of Argentina and that the Government of Argentina could help facilitate the process. One action to be undertaken in the short term would be an invitation to the President of MERCOSUR to Addis Ababa, Ethiopia, to

further discuss the issue with the Chairperson of the AU Commission. AU Commissioner for Trade and Industry informed Minister Faurie that 21 National Parliaments have already approved the ratification of the AfCFTA and that the last one will be secured in the coming days.

On cooperation with MERCOSUR, he pledged to bring the issue to the attention of H.E. Moussa Faki Mahamat, the Chairperson of the AU Commission and promised to work for the materialization of the visit of the President of MERCOSUR to the African Union Commission to take place as soon as the opportunity arises.

Attending the courtesy call were close aides of Minister Faurie as well as the Ambassador of Argentina to Ethiopia and to the African Union, H.E. Amb. Gustavo Teodoro Grippo.

African Union, European Commission, International Trade Centre launch online Trade Observatory of up-to-date trade data



Source: ITC News

The African Union Commission together with the European Commission and the International Trade Centre have set up the African Union Trade Observatory, a key pillar of the African Continental Free Trade Area (AfCFTA). Chief executive officers of regional economic communities and other partners attended this event.

The Observatory will provide entrepreneurs, policymakers and other key stakeholders with up-to-date, reliable trade data and statistics across the continent. The Observatory

will enable them to identify market opportunities and will facilitate the effective monitoring of the implementation of the agreement once it enters into force. Data and analyses will be available through a web-based platform.

H.E. Ambassador Albert M. Muchanga, the African Union's Commissioner for Trade and Industry, said: 'In an era where everything revolves around data and information and where data has become the new oil, I would like to appeal to other partners, private or public, to





join us in building a robust AU Trade Observatory.

This will enable African policymakers and the African private sector to make data-driven and evidenced-based trade and trade-related policies and decisions and to take full advantage of the African Continental Free Trade Area.'

Arancha González, Executive Director of the International Trade Centre, said: 'Data is the new gold. The future success of countries is premised on how well they use data to make strategic decisions, craft evidence-based policies and transform it into intelligence for the small and medium-sized companies that make up the vast expanse of the trade and business ecosystem.

We thank the African Union for the confidence it has placed in us to deliver the Trade Observatory, and we thank the European Union for its support. We look forward to this being an integral tool as the continent moves to closer integration.'

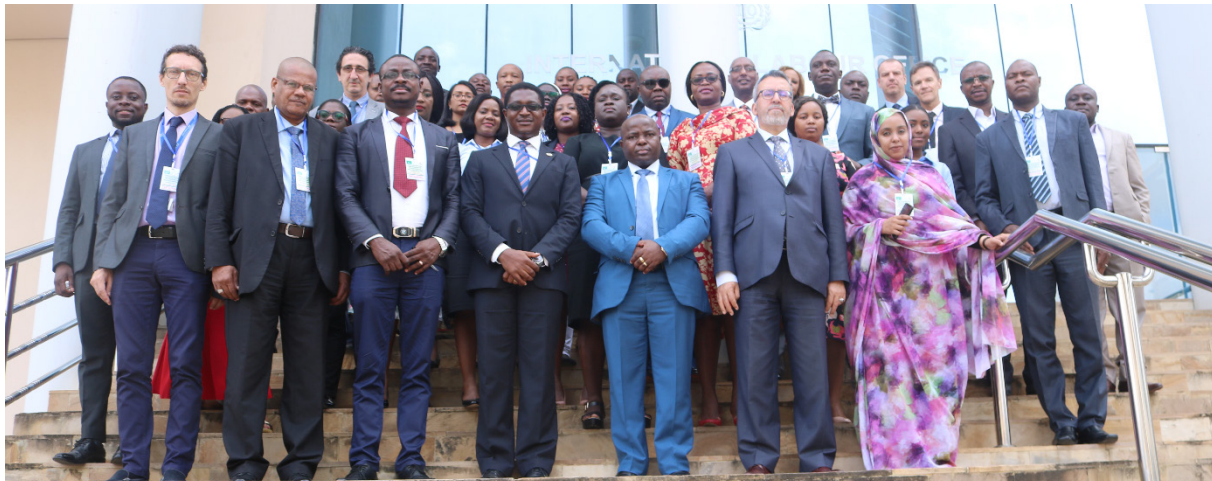
European Commissioner for International Cooperation and Development Neven Mimica said: 'The new African Union Trade Observatory is another step towards the African Continental Free Trade Area, which will help the continent harness its economic potential.

It will provide the African Union, the African countries and the private sector with data and statistics that are essential for the sound monitoring of continental trade and evidence-based policymaking. Our support of €4 million to this Observatory

is another example of the Africa-Europe Alliance in motion.' Common Market for Eastern and Southern Africa Secretary-General Chileshe Kapwepwe, on behalf of the African regional economic communities, said: 'We play a fundamental role as implementing partners of the African Continental Free Trade Area, represented in the Committee of Senior Trade Officials.

Our organization already collects data that could be fed into the Trade Observatory and aims to coordinate actions to resolve non-tariff barriers, harmonize standards and monitor practices at sub-regional and national levels.'

The African Union Commission Holds a Meeting on Trade Information prior to the Establishment of the AU Trade Observatory



The first Consultative Meeting on Trade Information and the Establishment of the AU Trade Observatory was held from 6-8 March, 2019 in Dar Es Salaam, Tanzania.

The meeting discussed, among others, ways to enhance synergies between the various trade information initiatives and systems across Africa, which are critical for an effective implementation of various regional trade agreements, the African Continental Free Trade Area (AfCFTA) Agreement and the Boosting of Intra-African Trade (BIAT), taking into consideration the upcoming execution of the Project for the establishment of the African Union Trade Observatory (ATO).

The Intra-African Trade stands at 14% for imports and 18% for exports as of 2015

thereby necessitating the need to establish a functional Trade Observatory that will serve as the main repository of both quantitative and qualitative trade data and trade information at the continental level to support Governmental institutions and the private sector to make evidence-based and informed policies and business decisions.

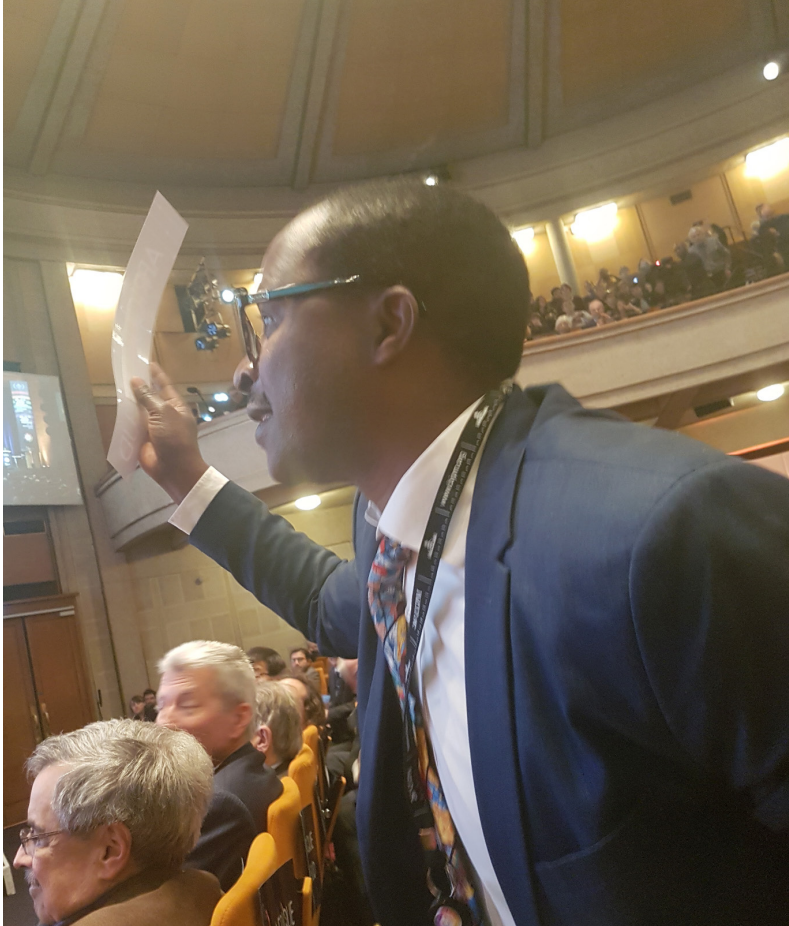
The meeting was officially opened by Dr. John Mduma, Director General of Tanzania Fair Competition Commission under the Ministry of Industry and Trade. He stressed the challenge of use of unreliable and outdated trade, poor Intra-African Trade, informal cross border trade, critical role that the ATO will play in achieving the AfCFTA. He further encouraged participants to engage fully during this important consultative meeting.

In his opening remarks, Mr. Nadir Merah, Head of Trade Division of the Department of Trade and Industry, stressed that reliable, up-to-date and easily accessible Trade data and statistics are essential for taking full advantage of intra-African Trade opportunities.

The meeting has brought together officials from the African Union Commission, African Union Member States, the Private Sector, AU Partners and experts involved in trade information and related issues.

The International System of Units (SI) and the Road for Africa to the Revised SI

By Dr Wynand Louw and Dr Aletta Karsten, NMISA and AFRIMETS



Accurate and comparable measurements depend on globally agreed units of measure, an independent way of realising "base" units according to an agreed method and the establishment of common references traceable to the realisations of these base units.

Prior to the 19th century a myriad of measurement units was in use in the world.

This made it difficult to trade fairly and virtually impossible to manufacture components for systems in different parts of the world that would fit together perfectly.

During the 19th century the "Metric system" was introduced that based measurement units on "global constants" such as the earth's circumference and rotation that allowed a comparable measurement system across the globe.

In 1875 the Metre Convention (Convention du Mètre) was signed by 17 major industrial countries that introduced the "metre", the "second" and the "kilogram" as the basic units of measurement for length, time and mass respectively. The metre was defined as 1/10 millionth of the distance from the North Pole to the equator. From the metre the kilogram was deduced by defining it as the mass of a volume of 1 000 cubic centimetres or 1 litre, of pure water.

Platinum/iridium copies of the metre and the kilogram were made to represent the quantities as defined, and were placed in Paris at the International Bureau of Weights and Measures (BIPM). Countries that signed the Metre convention procured copies of these standards that were periodically compared to the international prototypes.

Time was defined in terms of the duration of one full rotation of the earth, divided into hours, minutes and seconds, with the second, the base unit of time, defined as 1/86 400 of one full earth rotation.

The other four base units (kelvin, candela, ampere and mole) were added in the following 100 years and in 1960 the International System of Units (SI) with its 7 base units and derived units, were introduced.

For the next 58 years this system served the world and fostered fair trade, industrial development, accurate environmental monitoring, assisted health care and allowed for law enforcement.

Revision of the SI

Over the years numerous changes were made to the International System of Units, with the ultimate aim being to define all the SI units independently anywhere in the world. By the end of the 1970's all the units were defined based on fundamental constants of nature with a "recipe" approved by the International Committee for Weights and Measures (CIPM), so that the SI units could be realised in any country with the required expertise and equipment.

The definitions of the units were updated in terms of scientific parameters known as "quantum defining constants". For example the metre was later re-defined in terms of the distance that light travelled in one second in a vacuum (the speed of light is a universal constant).

The definitions of the units of time (second), and luminous intensity (candela) were also re-defined in terms of "quantum" constants, i.e., caesium frequency and frequency of monochromatic radiation respectively.

A new definition based on a quantum constant was therefore also needed for temperature. The Kelvin, the base unit for temperature, was defined in terms of an intrinsic property of water (known as the Boltzmann constant) that, while being an invariant of nature, in practice depends on the purity and isotopic composition of the water used. The re-definitions of these units were therefore as follows:

- Length or dimension - measured in metres in terms of the speed of light;
- Thermodynamic temperature - measured in kelvin (K) in terms of the Boltzmann constant,
- Time - measured in seconds based on Caesium frequency
- Luminous intensity - measured in Candela based on a stated frequency Hz, ν of monochromatic radiation.

At this point, only the International Prototype of the Kilogram (IPK) remained as an artefact international standard of measurement.

But it became evident since the late 1900's that the mass of the IPK may be drifting and the system was no longer accurate enough for modern advances in technology - an unsatisfactory situation.

In addition, the definitions of two other units, namely the ampere (electricity) and mole (amount of substance), were also related to mass. It seemed logical therefore to re-define the kilogram in terms of a "quantum" constant also, and the Metrology community over a period of more than 30 years developed the theory and practical realisations to be able to redefine the three mass-related units as follows;

Mass - measured in kilogram (kg) in terms of the Planck constant, h ,

Electric current - measured in ampere (A) in terms of the elementary charge (electron or proton), and

Amount of substance - measured in mole (mol) in terms of the Avogadro constant.

All seven SI unit definitions could now be based on constants that describe



At least two countries in Africa (South Africa and Tunisia) have indicated that they will introduce new primary standards for mass, i.e. either a Kibble (Watt) balance or the X-ray Crystal Density (XRCD) standard, to ensure that Africa has a primary realisation of the unit of mass. Other major National Metrology Institutes (NMIs) operating as “regional hubs” in the sub-regions of Africa such as NIS (Egypt), KEBS (Kenya), NMIE (Ethiopia) and GSB (Ghana) are collaborating with other NMIs to ensure that the Revised SI is implemented throughout Africa.

the natural world (the so called defining constants). This culminated in the “Revised SI” that was officially adopted on 16 November 2018 by the 59 Member countries of the Metre Convention (and witnessed by 42 Associate member countries).

Four African nations took part in the voting. The Revised SI will come into effect on 20 May 2019 (World Metrology Day). From this date the new definitions will be used to realise the units. More info on the background of the revised SI units is available on the BIPM website, (<https://www.bipm.org/en/si-download-area>).

Realising the Mass Unit

Accurate mass measurement is important for many everyday activities including trade. Two methods were proposed to realise mass. The first is through a Kibble balance (formerly called the Watt balance).

The second is the X-ray Crystal Density (XRCD) method, where the dimensions of a smoothly polished Silicon sphere is determined and using the Avogadro constant and the mass of a Silicon atom, the mass of the sphere can be calculated.

It is envisaged that the implementation of new methods for the realisation of temperature and electric current will take a few years and until then, the current realisations of the temperature scale and the use of voltage and resistance standards to calculate the ampere, will remain.

The NMIs mentioned above are also discussing plans for the implementation of new primary temperature standards and the measurement of the electron charge as a primary standard for current, once the methods of realisation are changed.

Harnessing the 4th Industrial Revolution for Inclusive and Sustainable Development in Africa

By Chiza Charles CHIUMYA - Officer In Charge, Trade Division



Since the turn of this century, Africa has moved from a hopeless continent to a rising one through the commitment of its Member States and some valuable partners. In a major part assisted by its natural resources endowments, Africa's growth has been precedent in the past 20 years.

However, a growth fuelled by a commodity boom alone and based on export of raw materials did not translate into commensurate economic diversification nor structural transformation that would have led to inclusive nor sustainable development for the African people

The sustainability and inclusiveness of Africa's impressive recent growth depends on the structural transformation of its economies, through enhanced productivity and greater diversification of production and exports. Yet manufacturing still accounts for a meagre share of GDP in most of its economies.

Compared to East Asia a few decades ago, where the foundations for dynamic growth were laid by the formation of dense production networks, modernization of agriculture, these elements seem to be lacking for Africa to propel itself into a virtuous circle of growth and poverty reduction.

The perpetual and key challenge for African countries is to ensure the design and implementation of effective policies that promote inclusive economic and structural transformation and address the continent's deficiencies such as infrastructural development as well as institutional capacity building. Africa will need to redouble its efforts to ensure that these challenges are counteracted. In addition, careful pursuit of Industrialization cannot be postponed any longer.

It is key to not only structural transformation but also to the creation of the much needed jobs for Africa's

youth and to generate the knowledge and skills base to manage a rapid process of urbanization and to reap the potentials of a demographic dividend.

The 21st century's global and regional economic activities will be characterized by a high degree of interconnectedness in the trade– investment–services–intellectual property nexus, in which: trade will be dominated by cross-border trade in parts and components rather than in final goods, international investment will be in production facilities, training, technology and long-term business; and infrastructure services such as in telecom sectors. The traditional model of trade is being slowly but surely relegated to the same location where one finds the old age barter trade in modern times.

This is where the 4th Industrial Revolution can be Africa's ally in its pursuit for inclusive and sustainable economic growth and development.



As indicated before, whilst Africa's economic growth has shown some resilience, the growth itself has not been very inclusive let alone sustainable. The women and youth have continued to be marginalized especially in the areas of sustainable employment. The Mediterranean Sea is now a mass grave of Africa's youth who try to cross over to Europe as they seek greener pastures. The 4th Industrial Revolution offers a new opportunity for Africa to attain inclusive and suitable development as it brings myriad new possibilities through the use emerging physical, digital, and biological technologies. The example of the revolutionary M-PESA that has now been adopted and adapted almost throughout Africa and has immensely fostered financial inclusion comes to mind.

The 4th industrial revolution will bring radical gains in productivity, a chance for creation of new range of products and services for trade as well as shift towards more sustainable production and consumption and a truly circular economy. It will also offer numerous chances for countries to leapfrog to the latest technologies and standards and thereby enabling access to new markets which have remained closed.

The growth of e-commerce in Africa attest to this. In addition, a large number of previously excluded populations can now play a part in the economy due to a reduction of barriers to entry. For example, the cost of some essential technologies and automation will drastically be reduced and this will enable flexible, small-scale manufacturing. Technology is becoming better, cheaper, faster, more scalable and easier to use than ever before.

HOWEVER, thinking of Africa harnessing the benefits of the 4th Industrial revolution is akin to a student who is writing a 4 part examination. Whilst the rest of the students are in part 4, this student is still dealing with issues of part 2 and 3. Africa will need to do some catching up where necessary and immediately leapfrog where possible.

There is need to reform, develop, improve, and adapt essential frameworks in such areas as good governance, efficient infrastructure, flexible labor markets, responsive legal systems, supportive and appropriate rules and regulations, and institutions. Innovation policies and institutions should play a leading role in this context. Africa will need to refocus its the education system, solve the perpetual

Infrastructure deficit, and foster entrepreneurship development

In the context of the 4th industrial revolution, education, is essential to enable people to use the achievements of the industrial revolution, and by among others adjusting them to their environment, and to devise new, innovative ideas, procedures and solutions. Infrastructure deficits are rated as one of Africa's constraint to development.

Within this, the level of development differs widely across sectors, for instance, whilst the development of water, electricity, and transport infrastructure is low, comparatively better outcomes have been seen in telephony and communication. With an average of 204 kilometers of roads per 1,000 square kilometers of which only one quarter is paved, Africa lags far behind the world average of 944 kilometers per 1,000 square kilometers. This is not only a barrier to the connectivity between settlements – regions and countries.

Lastly, entrepreneurship development goes hand in hand with innovation. Fostering entrepreneurship will encourage Africa, especially the youth to develop market based solutions that would greatly assist in Africa's agenda for inclusive and sustainable development.

By constructively addressing these three, the 4th Industrial revolution will assist Africa to term fundamental drivers and manifestations of exclusion on the continent.

SOAC (WAAS) Delivers its First Accreditation Certificates

By Mr. Marcel GBAGUIDI - SOAC Director General and
Dr. Oswald Chinyamakobvu - Senior Technical Advisor - QI, AUC



As part of sustained quality assurance and creating confidence in the market, conformity assessment services providers (e.g. test laboratories, inspection agencies and certification bodies) are required to be accredited as independent attestation of their competence to provide those services.

For a long time there were no accreditation bodies in many regions of Africa and conformity assessment services providers had to

obtain their accreditation from foreign or far placed accreditation bodies at high cost since an important part of accreditation costs relates to transport costs for assessors travelling from their base countries.

To recoup their expenses they would pass on these costs to their clients as well. This situation was a hindrance to the development of several sectors of activity, including trade.

As part of the implementation of their industrial and trade policies, the UEMOA and

ECOWAS Commissions trusted UNIDO, through the quality programs financed by the European Union since 2000, to put an end to this situation by supporting the growth of local accreditation bodies.

Thus, with the aim of pooling resources and enhancing efficiency, one of the solutions proposed was the establishment of the West African Accreditation System (WAAS), a multi-economy accreditation body (AB) covering eight Member States in West Africa (Benin,



L'Accréditation : Etablir la Confiance par la Compétence

Burkina Faso, Côte d'Ivoire, Guinea Bissau, Mali, Niger, Senegal and Togo). WAAS is more popularly known by its French acronym, SOAC, standing for Systeme Ouest Africain d'Accreditation.

Today, SOAC, an atypical model of accreditation body (there are less than five multi-economy ABs in the world and only two in Africa) is fully functional. Based in the Republic of Côte d'Ivoire, SOAC recently issued its first accreditation certificates to four laboratories, including three in the agro-food sector (Côte d'Ivoire: BIOTITIALE, VAGNY LAB and the National Laboratory of Public Health (LNSP)), and one from the field of mass calibration (the LEMA of Benin). This development opens new perspectives, especially the possibility

for economic operators to carry out the testing of their products in competent SOAC accredited laboratories, now able to provide their services at reasonable costs to their customers. SAOC's proximity to its market together with operating costs support received from the two Commissions and the Ivorian Government, enables SOAC to offer accreditation services 30% to 55% cheaper than under previous arrangements.

For Côte d'Ivoire specifically, SOAC's operation coincides with the entry into force on 1 January 2019 of the Interim Economic Partnership Agreement (EPA) signed with the European Union. The agreement allows a free access for certain food products to the European market, provided that they

comply with EU sanitary and phytosanitary standards. SOAC operation is therefore timely. Laboratories involved in the range of products covered by the EPA may require accreditation from SOAC to, in turn, offer their services to the economic operators involved at lower costs. For UEMOA and ECOWAS, it is a concrete positive response to the development of the agri-food products sector, one of the priorities of the region.

Beyond trade, SOAC accreditation is useful for other sectors such as health. The LNSP has been accredited for the testing of iodine in salt. Iodine deficiency is a major global public health problem with about 2 billion patients in 2014 in no less than 130 countries. The most affected



social strata are pregnant women and young children with diseases such as goiter,

In attempting to address this problem in Cote D'Ivoire, one of the challenges faced



cretinism, low birth weight, endemic mental deficiency and perinatal mortality rate.

was the non-availability of competent laboratories to test the iodine content of the salt sold on the markets.



With its SOAC accreditation, the LNSP is helping to fill this gap.

The DG of the LNSP, 4th from the R and his team receiving their certificate from the hands of the President of the SOAC, Mr. A. Baro The Minister of Commerce, Industry and Promotion of SMEs of Côte d'Ivoire,

Mr. DIARASSOUBA (3rd from left), at the presentation ceremony of the accreditation certificate of the LNSP.

From L to R: Mr. Marcel GBAGUIDI, SOAC DG and Mr J.G. SANON, UEMOA Representative in Côte d'Ivoire

For more details on SOAC/ WAAS contact:

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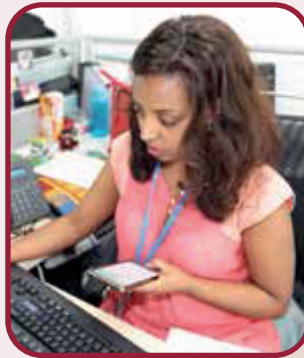
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