



Final concept note: Dialogue on how AfCFTA-regional relations can support continental trade

Online event: 11am-1pm CET on 17 December 2024

Background and rationale

With the commencement of trading under the African continental Free Trade Area (AfCFTA) in 2021, attention is now turning from negotiation to implementation and expanding intra- African trade. This in turn is raising questions about mandates, roles, responsibilities and relations among key stakeholders in relation to the implementation of the AfCFTA including by the AfCFTA Secretariat, the African Union Commission (AUC - ETTIM in particular), the eight AU-recognised Regional Economic Communities (RECs), other regional trade arrangements and organisations, some of which are customs unions, and AfCFTA state parties. Given the commitment to review AfCFTA progress five years after its entry into force to "ensure effectiveness, achieve deeper integration, and adapt to evolving regional and international developments" now is an opportune moment to take stock of these relations, to ensure synergies in the implementation of the AfCFTA.

The AfCFTA Agreement formally recognises the role of existing REC free trade areas (FTAs) as 'building blocs' of the AfCFTA. But this has created differing expectations among stakeholders about what that means in practice. A recent study by ECDPM and The Mandela School of Governance on How AfCFTA-regional relations can support continental trade, analyses four broad sets of expectations of how the continental and regional bodies should relate. These are respectively centred on leadership by: i) the AUC; ii) the AfCFTA Secretariat; iii) the RECs and iv) AfCFTA State parties. Alongside the AfCFTA Agreement, the study looks at the role of regional organisations as laid out in the different AfCFTA protocols and annexes. It identifies seven levels of AfCFTA-regional relations spelled out in the different AfCFTA legal texts ranging from: unification to harmonisation, complementarity, subsidiarity, coordination, cooperation and 'peer-learning'. Beyond this, the study also looks at the overlapping mandates between the AfCFTA Secretariat and RECs when it comes to corridors and industrialisation/regions value chains (RVCs). It is therefore imperative to explicitly define how different stakeholders can play a role in regional-continental coordination and implementation of the AfCFTA, and especially identify where continental and regional agendas and interests align.

Broad findings that emerged from the study are for the AfCFTA Secretariat to define and publish its priorities for implementation from its vast agenda, a crucial first step that will guide the wider implementation priorities of other stakeholders and in shaping regional roles. Furthermore, based on the seven identified levels of AfCFTA-REC relations, engagement with regional organisations has to happen according to a specific protocol, annex, corridor or RVC for joint priority-setting and fundraising. In addition, implementation will necessarily have to link top-down direction and guidance, from the AfCFTA Secretariat, with bottom-up, 'problem-driven' approaches that combine national, regional and continental players according to AfCFTA protocol or annex, corridor or RVC. As such, the AfCFTA Secretariat will need to seek adaptive, strategic partnerships from member states, to regions, other continental bodies and international partners.





Objectives

The overall **objective** of this event is to continue engagement on AfCFTA-REC relations by presenting some of the key findings of the ECDPM study. It will be an opportunity to raise awareness on the seven identified levels of AfCFTA-regional relations, which have implications for who should lead the process. It will also discuss recommendations on how to align regional and continental approaches around corridors and RVC promotion. The event will also open discussions around the AfCFTA-REC coordination mechanisms in place and how these can move from 'discussions about actions without actual progress', to forums to more systematically build on regional 'best practices', whether for peer-learning among RECs or for scaling up successful regional initiatives at the continental level in the implementation of the AfCFTA.

This event will therefore be guided by the **following key questions:**

- How do you see REC-AfCFTA relations in terms of negotiations, implementation and coordination?
- Are there specific areas for the RECs to help achieve the AfCFTA objectives and what would need to happen for that to be feasible?

Moderator

Philomena Apiko: Policy Officer Economic Recovery and Transformation, ECDPM

Presenters

- 1) Bruce Byiers: Associate Director-Sustainable and inclusive economic development, ECDPM
- 2) Faizel Ismail: Director of the Nelson Mandela School of Public Governance at the University of Cape Town

Discussants

- 3) Allen Asiimwe: Chief of Programmes, Trade Mark Africa
- 4) Annette Mutaawe Ssemuwemba: Deputy Secretary General- Customs, Trade and Monetary Affairs, EAC Secretariat
- 5) Million Habte: Coordinator of AfCFTA Implementation via National Committees, AfCFTA Secretariat (tbc)

Practical information

The event will take place online at 11am-1pm CET on 17 December2024. Here is the link to register for the event.