

Third Ordinary Session of the African Union Conference of Ministers of Trade

Opening Statement

By
Hakim Ben Hammouda
Director, Trade and Regional Integration Division
United Nations Economic Commission for Africa

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Honourable Ministers, Your Excellencies, Colleagues, Ladies and Gentlemen:

On behalf of Dr. K.Y. Amoako, the Executive Secretary of the Economic Commission for Africa let me express my gratitude to the Government of the Arab Republic of Egypt the hosts of this meeting. I would also like to thank and pay tribute to the African Union Commission for inviting the ECA to participate in a substantive way in this 3rd Ordinary Session of the African Union Conference of Ministers of Trade. The ECA values the collaboration that it has with the AUC, because it believes that only through such collaboration can the quality and quantity of advice that African Governments receive from their regional institutions be maximized. The ECA is committed to continue working hand in hand with the African Union to ensure that solutions to the challenges that Africa faces are tackled in a realistic and workable way. The hallmark of this collaboration continues to be the exploitation of the synergies that the two Commissions can bring together for the benefit of Africa. As the African Union continue to provide political leadership on issues aimed at creating a stronger and richer Africa, the ECA will continue to provide sound and objective policy options that can be put before decisions makers like yourselves Honourable Ministers.

The Importance of the Hong Kong Ministerial to Africa

Honourable Ministers, Your Excellencies, Colleagues, Ladies and Gentlemen:

Last year, we all met in Kigali to deal with what was then a critical issue, an agreement on an African position prior to the General Council of July 2004. The result of that meeting was the Kigali Declaration and its annexed Kigali Consensus, both of which went a long way in facilitating Africa's participation in the Doha Round negotiations. Firstly, the Consensus provided the political guidance that our negotiators needed so that they could extract the best deal for Africa in the July Package. And secondly, the Consensus demonstrated to the World that Africa no longer stands on the fridges or sit on the fence when issues likely to have impacts on its economies and its people are being discussed. Africa managed to make it clear to the World that it was going to be part and parcel of any decisions that are going to determine its destiny. I would like to pay tribute to our negotiators and to you Honourable Ministers for the tireless efforts that you put to ensure that the July Package took cognisance of the issues that African countries put forth.

Honourable Ministers, Your Excellencies, Colleagues, Ladies and Gentlemen:

It is true that the July Package did not fully meet the Kigali Consensus expectations. But as we meet here today, we are much more clearer of what it will take for us to get the best results from the fast approaching Hong Kong Ministerial. We need to look critically at the recommendations that your experts have been working on over the last three days to ensure that they reflect the goals and aspirations of the African people that you represent. The Hong Kong Ministerial is taking place at a time when the African economies have started showing signs of strong growth. Yet this growth is not strong enough to have any positive and sustained impact on the economic and social challenges that face the continent. And so, as we approach the Hong Kong Ministerial, it is our hope as partners of the African Union, that the first approximation of the modalities will be consistent with the role we would all like trade to play in the attainment of the Millennium Development Goals. As a Commission for the United Nations, we feel it is upon us, to help in shaping the Cairo recommendations so that they are consistent with the speed everyone in Africa feels should be attained in economic development, with trade playing its crucial role.

The Need for Coherence in Setting Africa's Development Options

Honourable Ministers, Your Excellencies, Colleagues, Ladies and Gentlemen:

The multilateral negotiations issues that have formed one of the main themes of our meetings this week are one pillar of the multifaceted issues that face our continent today. And it is for this reason that we at the ECA are engaged in work in other areas with the aim of ensuring coherence in the positions that are contained in the Cairo Recommendations and the commitments and actions that our countries are likely to have at the national or regional level in the days ahead. In this respect, there are four areas where the ECA through its Trade and Regional Integration Division is currently focussing its work on guided by you our Member States. These are: implementing the research issues raised in the Tunis Roadmap; undertaking research work to identify the potential economic and welfare implications of the on-going Economic Partnerships Agreements negotiations with the European Union (EU); establishing how regional integration in the continent can be deepened through removal of intra-African trade barriers and better trade facilitation; and working on how best trade can be mainstreamed in national development strategies.

Helping Achieve the Best outcome from the Hong Kong Ministerial

Honourable Ministers, Your Excellencies, Colleagues, Ladies and Gentlemen:

On the multilateral negotiations area, the ECA takes seriously the issues and questions raised by the African Group negotiators as outlined in the Tunis Roadmap. The ECA believes that the issues raised in the various areas such as in agriculture negotiations, Non Agriculture Market Access (NAMA), Special and Differential Treatment (S&D), trade facilitation are still relevant as the issues addressed in the Cairo Recommendations attest. The ECA has been deeply involved in undertaking research that address some of the specific questions in agriculture and NAMA negotiations and also how the S&D flexibilities could be deepened. We believe the time for generalities have since passed and that the time to provide specific answers to the questions that our negotiators continue to grapple with as we move towards the first approximation of the modalities to be discussed in Hong Kong is now, if not yesterday. To this end, we have been preparing policy briefings based on deep and objective research that address very specific questions in the Tunis Roadmap. We shared this with our Geneva Ambassadors in their recent retreat in Lausanne Switzerland, and we will continue to do so as more and more research continue to shed light on the answers to the negotiator's questions.

The ECA, together with the AU and UNDP will continue to provide support to the African Negotiators and we ready to organise a meeting of Experts just before the Hong Kong Ministerial to reflect on the state of the modalities that will have been arrived at, and how best they are likely to address African goals.

The Economic Partnership Agreements Negotiations also Important

Honourable Ministers, Your Excellencies, Colleagues, Ladies and Gentlemen:

The African countries are also currently deeply engaged in the Economic Partnership Agreements (EPAs) negotiations with the EU. Suffice to mention that the positions that the African countries eventually take in the EPAs negotiations will depend to a large extent on the outcome in Doha. In this regard, the ECA has been undertaking serious research work on the potential implications of the EPAs in the hope that coherence between the EPAs agreement and the final Doha outcome are consistent. The long-term implications of the EPAs agreements should move in the same direction to those of the Doha outcome and should not be seen to be pulling in different directions. So far, we have addressed the trade aspects of the EPAs and shared our findings at the regional level. Let me at this point thank the Government of the Republic of Kenya for agreeing to host the continental meeting on EPAs that we are jointly organising with the African Union and UNDP. This meeting will take place on 22 - 24 September 2005 and will have a critical look at the emerging evidence on how the EPAs can be made pro-development. The issues that are crosscutting across the continental board will be brought to the fore in this meeting, on the basis of research results.

Charity Begins at Home: The Strong Case Remains for African Integration

Honourable Ministers, Your Excellencies, Colleagues, Ladies and Gentlemen:

The ECA strongly believes that regional integration has a very strong role to play in Africa's long-term development. The pace and direction of this regional integration has been agreed under the Abuja Treaty. The Constitutive Act of the African Union takes forth the Treaty's ideals, goals and objectives. In this respect, the ECA's current research work in this area is being undertaken at two levels. First, rigorous analytical work is being carried out with the sole aim of ensuring that the regional integration initiatives that Africa is currently employing as vehicles of the continental development are not undermined by some of the commitments that the continent makes either in Doha or under the EPAs. Our research so far shows that the question of deepening African integration may not be well catered for under the multilateral system. Moreover, we have since empirically established that the EPAs themselves have the potential of weakening rather than deepening Africa's integration. Like the African Union, we strongly believe that regionalism is an invaluable development route for Africa and for that reason, outcomes of trade negotiations should at the end of the day help deepen the regional integration initiatives in the continent rather than undermine it. The intra-African trade is growing in some of the regional economic communities (RECs) and this trade could be raised tremendously through appropriate architecture of our regional initiatives where the inter-RECs barriers are brought down.

Mainstreaming Trade in National Development a fast Means to the End

Honourable Ministers, Your Excellencies, Colleagues, Ladies and Gentlemen:

While the above three issues that the ECA is engaged in are aimed at ensuring positive outcomes at multilateral, bilateral and regional level for Africa, the question of mainstreaming trade in national development has of late been identified within the Commission as key. In this respect, the ECA is currently working on the best practice in mainstreaming trade in development strategies, in a way that ensures that trade plays its appropriate role in economic growth and development. Yet the trade policies that need to be mainstreamed in these development strategies will be significant only if they are coherent, as they will arise from the commitments made at the multilateral level, through the EPAs and in the regional integration initiatives.

Honourable Ministers, Your Excellencies, Colleagues, Ladies and Gentlemen:

As I conclude, I would like to reiterate that we at the ECA would tirelessly work with other organisations to ensure the best outcome for Africa in the multilateral and regional negotiations.

We wish this meeting a success and hope that the recommendations that will be endorsed here in Cairo will go a long way in providing the political guidance that the Geneva African Group needs to ensure that the modalities reflect adequately Africa's aspirations.

Thank you.
