

Abuja Treaty seeing mixed progress in Free Trade Areas and Harmonization of Regimes

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Addis Ababa, 01 June 2011 (ECA) - Trade and regional integration experts assembled in Addis have been urged to make strong recommendations that will see to it that member States accelerate the establishment of Continental Free Trade Area and Customs Union as agreed in the Abuja Treaty. The recommendations, according to the Information and Communication Service of the Economic Commission for Africa (ECA), will be tabled at the 2-5 June 7th Session of the Committee on Regional Integration.

Joseph Atta-Mensah, Director of the Regional Integration and Trade Division at the ECA described the progress in phase three (2005-2014) of the Abuja Treaty as mixed.

“Signed in 1991 by member States to establish the African Economic Community, the Treaty provides a region-wide framework to be implemented in 6 phases,” explained Atta-Mensah.

“In phase three of the treaty, member States agreed to establish in each Regional Economic Communities (REC), a Free Trade Area and a Customs Union by means of adopting a common external tariff,” he said.

RECs and their member States are seeking closer cooperation through intra-and inter-REC trade by forming trading blocs in order to achieve faster regional integration and speed up the establishment of an African Common Market.

“In East and Southern Africa, EAC and SADC regions have made a lot of progress and established mechanisms and frameworks; they have established mechanisms and frameworks that have created free trade areas and customs unions,” he said.

He however noted that while some RECs are yet to establish their FTAs, others are either partial FTAs or partial Customs Union; and some have adopted ‘staged elimination’ of their tariffs on internal trade.

Atta-Mensah reiterated the message of the joint Assessing Regional Integration (ARIA IV) report by the ECA, AU and AfDB and underscored the need to “fast-track an African FTA to help address development and enhance overall economic emancipation of the continent.”

In the general public realm however, there is not much knowledge of the goods and services that African countries have to offer to each other and according to Atta-Mensah, many obstacles need to be addressed. They include improving infrastructure and the use of information and communication technologies; building skilled human capacity and simplifying trading procedures.

“I imagine a day when Ghanaian chocolate will be easily available in stores in Addis Ababa; perhaps the day will come when Tunisians will drink coffee imported from Ethiopia on their street cafes,” he said.

By the end of this 7th Session, the recommendations will give regional integration a shot in the arm and help to deepen Africa's integration; promote greater mobility of goods, services and investments.

“It is my hope that we will see member States abolish visas, trade freely across the continent and guarantee the right of establishment and residency,” urged Atta-Mensah adding that harmonized labour policies and practices would also need to be established.

The pace of progress is not uniform and there are overlaps of RECs and their membership, however, the experts in Addis are in an upbeat mood and have a renewed enthusiasm for shortening the period of the vision of the Abuja Treaty. They point to the Pan African Parliament already in place, while the setting up of an African Investment Bank, the African Monetary Fund and the African Central Bank is being accelerated.

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