
at the opening of the

National Consultative Forum on the Africa Continental Free Trade Area

(AfCFTA)

23 May 2019
Lusaka, Zambia
I would like to welcome you all to this National Consultative Forum on the African Continental Free Trade Area organized collaboratively with the Ministry of Commerce, Trade and Industry and the African Union Commission. This forum is part of the process of preparing a national strategy for Zambia on the African Continental Free Trade Area (AfCFTA), as some other African countries are currently doing as well. The essence is for Zambia to position itself effectively in benefitting from the AfCFTA, which is obviously a moving train, which all countries on the Continent, sooner than later, will sign onto.

As you are all aware, a momentous and historic event took place on 21\textsuperscript{st} March 2018 in Kigali, Rwanda, when over 40 African Countries gathered together to launch and sign the AfCFTA agreement. This was a major step towards creating a borderless trade zone in Africa as envisaged by the Abuja Treaty of 1991 establishing the African Economic Community. The AfCFTA has since secured the required number of ratifications- 22 to go into effect and this would take place by the end of the month-30\textsuperscript{th} May 2019.
The AfCFTA is one of the flagship projects of Agenda 2063, especially its 10-year Implementation Plan, which seeks to promote inclusive and sustained economic growth and accelerated economic development and integration in Africa. The AfCFTA also sits in tandem with key goals of Agenda 2030- the Sustainable Development Goals (SDGs). This includes, goals 1 (ending poverty), 2 (zero hunger), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 10 (reduced inequalities) and 12 (responsible production and consumption). Hence, the AfCFTA is a win-win situation for regional and global commitments of Zambia.

The AfCFTA will create the biggest free trade area in the World with a market of more than 1.29 billion people and a combined GDP of more than US$2.5 trillion. The AfCFTA has immense opportunities for increasing intra-regional trade, enhancing production, promoting economies of scale, creating jobs, raising incomes and improving the standard of living of the African people. Studies suggest that if successful, Africa’s manufacturing sector will double in size, with annual output increasing from $500 billion in 2015 to $1trillion in 2025, and contributing additional 14 million stable, well paid jobs. However, the AfCFTA has to be backed up by increased production capacity, enhancing regional value chains, and removing internal obstacles to the growth of SMEs so that African countries can compete well in the liberalized regional market.

The national strategy on the AfCFTA being developed by Zambia will complement and support the implementation of the 7th National Development Plan whose aspiration is to promote “accelerated development towards vision 2030 without leaving anyone behind”. Also, the multi-sectoral approach to development elaborated in the 7th National Development Plan blends in very well with the anticipated benefits from participation in the AfCFTA. Specifically, the national development outcomes of the Plan anchored, among others, on agriculture, mining, ICT, and tourism should dovetail into the medium and long-term benefits accruing to Zambia from a larger continental
market ushered in by the AfCFTA. Hence, the need to develop a good national strategy and action plan for trade in both goods and services for the AfCFTA, which will spell out the modalities and interventions required to catalyze production systems in the country and promote transboundary trade opportunities.

Honorable Minister, Distinguished Guests, Ladies and Gentlemen,

It is important to note that the AfCFTA Agreement is not self-executing; it requires Zambia to deploy deliberate strategies towards ensuring that the private sector, as key stakeholder in production and trade, is primed to exploit a larger market and product opportunities offered by the AfCFTA, with reduced tariff and non-tariff barriers. It is imperative to, among others, address supply-side constraints limiting the productive capacity of industry to stimulate competitiveness. Coherence between the National Industry Policy and trade promotion initiatives is critical.

Furthermore, the effective exploitation of the AfCFTA will require consensus among all stakeholders – the private sector, government, academics, civil society, women and youth organizations. Hence the imperative to establish a well-resourced National AfCFTA Committee as part of the framework to entrench and facilitate the required consultative processes in the implementation of the agreement.

Without pre-emptying discussions during this forum, I believe other key reforms required to ensure that industrialization, investment and trade generate optimum benefits for Zambia under a larger market include in the areas of trade facilitation, infrastructure development, doing business reforms to create a conducive environment for the private sector, product quality and standards and the general policy environment, its consistency, clarity and stability to facilitate evolution of a competitive industrial sector able to capture opportunities arising from a borderless trade continent.
Honourable Minister, you are assured of the technical support of the UNECA working with AUC in assisting Zambia to develop the National AfCFTA Strategy and Action Plan that will complement existing industrialization, investment and trade policies in promoting overall national development aspirations. As you are aware, UNECA, through its various Divisions is supporting the process of the implementation of the 7th National Development Plan and the entire UN System in Zambia is fully committed to supporting the government on the development plan. Thus, the technical backstopping on the AfCFTA by UNECA extends additional support to Zambia as one of UNECA focus countries in the region together with Malawi and Zimbabwe.

In closing, I would like to thank the staff members of the Ministry of Commerce, Trade and Industry, and colleagues from the ECA and the AUC for their tireless efforts in organizing this forum. Specifically, let me thank my colleagues, Oliver Maponga, Lavender Degre, and Batanai Chikweni for their efforts in leading and managing the process of organizing the forum from ECA.

Also, I would like to thank the European Union for their commitment and support for the AfCFTA process. We are indeed grateful.

In my closing words, I would like to urge the Government of the Republic of Zambia to consider ratifying the AfCFTA agreement like sister countries in the region of South Africa, Eswatini and Namibia have done. There is a lot to gain, and opportunities to explore in being part of the AfCFTA initiative. Whatever our concerns and fears are, this forum should provide an excellent opportunity to address and find solutions and key recommendations to them.

I wish you successful deliberations and thank you all for your kind attention.