



‘Phase 1B’ of the African Continental Free Trade Area (AfCFTA) negotiations

By Peter Lunenborg*

1. African Continental Free Trade Area (AfCFTA) Agreement

The African Continental Free Trade Area (AfCFTA) Agreement is one of the flagship projects of the First Ten Year Implementation Plan under the African Union (AU) Agenda 2063 – ‘The Africa We Want’. The AfCFTA negotiations have been split up into two phases:

- Phase 1 covers the areas of trade in goods and trade in services.
- Phase 2 will cover the areas of Investment, Intellectual Property Rights and Competition Policy.

The institutions involved in the negotiations are the AfCFTA-Negotiating Forum (AfCFTA-NF), Senior Trade Officials (STOs) and African Union Ministers of Trade

(AMOT). The first meeting of the AfCFTA-NF was held in February 2016, followed by the first meetings of the STO and AMOT both of which were held in May 2016.

The 28th Ordinary Session of the African Union Heads of State and Government held in Addis Ababa, Ethiopia in January 2017 mandated His Excellency Issoufou Mahamadou, President of the Republic of Niger, to be the Leader of the African Continental Free Trade Area (AfCFTA) Negotiations.

The Agreement Establishing the AfCFTA together with three Protocols (on trade in goods, trade in services and dispute settlement) were adopted by the AU Assembly on 21 March 2018 in Kigali, Rwanda. Annexes to the Protocol on Trade and Goods and the Protocol on Rules of Procedures for the Settlement of Disputes were adopted by the Assembly on 1 July 2018 in Nouakchott, Mauritania. (See Table 1.)

Abstract

The African Continental Free Trade Area (AfCFTA), which entered into force on 30 May 2019, represents a unique collaborative effort by African countries to bolster regional and continental economic integration, in a world marked by increasing protectionism and use of unilateral trade measures.

In order to make the agreement operational for trade in goods, negotiations on tariff concessions need to be concluded and negotiating outcomes need to be inserted into the agreement. This policy brief focuses on the expected economic impacts of tariff liberalization under the AfCFTA, the tariff negotiation modalities and discusses some legal and practical issues related to the implementation of these modalities.

Dans un monde marqué par un protectionnisme croissant et le recours à des mesures commerciales unilatérales, l'Accord prévoyant la création de la zone de libre-échange continentale (ZLEC), qui est entré en vigueur le 30 mai 2019, représente un effort unique de collaboration entre les pays africains en vue de renforcer l'intégration économique à l'échelle régionale et continentale.

Afin de le rendre opérationnel pour le commerce des marchandises, il est essentiel que des négociations sur les concessions tarifaires aient lieu, dont les résultats devront être pris en compte dans l'Accord. La présente note de synthèse s'intéresse aux répercussions économiques liées à la libéralisation tarifaire qui sont attendues dans le cadre de l'application de l'Accord et aux modalités de négociation tarifaire, et examine certains aspects juridiques et pratiques relatifs à la mise en place de ces modalités.

La Zona de Libre Comercio Continental Africana (AfCFTA, por sus siglas en inglés), que entró en vigor el 30 de mayo de 2019, representa un esfuerzo de colaboración único por parte de los países africanos para reforzar la integración económica regional y continental, en un mundo caracterizado por el aumento del proteccionismo y el uso de medidas comerciales unilaterales.

A fin de que el acuerdo sea operativo para el comercio de mercancías, es necesario concluir las negociaciones sobre las concesiones arancelarias e incorporar al acuerdo los resultados de dichas negociaciones. Este informe de políticas se centra en las repercusiones económicas que se prevé que genere la liberalización arancelaria en el marco de la AfCFTA y en las modalidades de negociación arancelaria, y analiza algunas cuestiones jurídicas y prácticas relacionadas con la aplicación de estas modalidades.

* Peter Lunenborg is Senior Programme Officer of the Trade for Development Programme (TDP) of the South Centre.