



United Nations  
Economic Commission for Africa

**Third Regional Dialogue on WTO Accessions for Africa  
Deepening Economic Integration in Africa through WTO  
Membership and AfCFTA Implementation**

**12 – 14 February 2020**

**United Nations Conference Centre  
Addis Ababa, Ethiopia**

## **WTO Membership and the AfCFTA Implementation**

***Intervention by Mr Stephen Karingi, Director, Regional Integration and Trade Division, United Nations Economic Commission for Africa (UNECA)***

**12 February 2020**

Your Excellency **Mr Melaku Alebel**, Minister of Trade and Industry of the Federal Democratic Republic of Ethiopia

Honourable Ministers, senior officials of the Government of Ethiopia,

Mr Alan Wolff, Deputy Director-General of the WTO,

Invited guests,

Distinguished Ladies and Gentlemen:

Allow me to start by extending sincere greetings from Dr Vera Songwe, Under-Secretary General of the United Nations and Executive Secretary of the United Nations Economic Commission for Africa (UNECA), to the Government and people of our Host country Ethiopia and to all the participants of this important Dialogue. Dr Songwe also sends her regrets that she was unable to join you at this meeting due to prior commitments.

Before going into the substance of my intervention, please allow me to also express my gratitude at the fact that this event is dedicated to the honour and memory of Ambassador Chiedu Osakwe, that most inspiring and indefatigable campaigner for a multilateral trading system with rule of law and inclusive development at its core. A personal friend to many of us in this room, Osakwe was a voice for reason and for Africa in all multilateral fora. I take solace in the realization that Ambassador Osakwe died while serving his country as its chief negotiator and after leading Africa to the successful conclusion of the AfCFTA. May his soul rest in peace and his inspiration stay with us for the rest of our lives. Amen!

### **Excellencies, ladies and gentlemen:**

It is with a sense of great honour and personal pleasure that I address this meeting on “Deepening Economic Integration in Africa through WTO Membership and AfCFTA Implementation”. Not only are most of our member states in Africa in the process of negotiating their accession to the WTO, I also realize that the synergies between WTO accession and participation in the AfCFTA need to be understood and harnessed for the benefit of these states and their citizens.

Since we started preliminary discussions about this event, I could not help but reflect on the contrasting narratives on the governance of international trade – one coming out of Geneva and the West more generally and another out of Addis and Africa at large.

In Geneva and beyond, we know that the multilateral trading system led by the World Trade Organization (WTO) is facing perhaps the most serious challenge of its life of a quarter of a century:

- The Doha Development Agenda, launched in 2001 with a four-year completion target and in which African countries placed all their hopes and expectations to inject development into the multilateral trading system, is about to celebrate its 20<sup>th</sup> anniversary with little to show for it;
- The WTO dispute settlement system with its unique Appellate review mechanism that has long been considered the jewel in the crown of global economic governance has effectively collapsed;
- Preferential and inherently discriminatory trading arrangements are increasingly undermining the multilateral trading system at whose core sits the principle of non-discrimination; etc.

In short, there are worrying signs that power-based bilateral diplomacy is on the ascendance while confidence in rules-based multilateral diplomacy is waning.

It is disconcerting to realize that this narrative forms part of the more widespread perception of a deeper crisis of economic globalisation.

In Addis and more broadly around Africa, on the other hand, the narrative runs in the opposite direction. Thanks to the adoption of the Agreement Establishing the African Continental Free Trade Area (AfCFTA) and its speedy ratification, Africa is leading the way, affirming and reaffirming its confidence in a rules-based system of economic liberalization as a tool for inclusive and people-centred development.

This show of confidence is not limited to the governance of intra-Africa trade. On several occasions, African countries have reaffirmed their “attachment to the multilateral trading system” and their belief that “multilateralism remains the ... essential path to achieve inclusive and equitable development-oriented results”.<sup>1</sup> Africa is keen to work with all WTO members to resolve the impasse on the Appellate Body. Africa’s only enduring demand at the WTO is for the organization to bring development to the centre, for trade is but only a means to achieve development.

Equally important, and particularly relevant to this Dialogue, is the fact that in spite of the challenges faced by the multilateral trading system, just under half of the 22 countries engaged in the highly tasking WTO accession negotiations are from Africa. Many of these countries have been in this process for decades, with Algeria holding the continental record with its accession working party established as far back as June 1987, long before the idea of establishing the WTO itself was conceived.

#### **Acceding African States by Chronology**

- Algeria’s Working Party was established on 17 June 1987
- Sudan's Working Party was established on 25 October 1994
- Ethiopia's Working Party was established on 10 February 2003
- Libya's Working Party was established on 27 July 2004
- Sao Tomé and Príncipe's Working Party was established on 26 May 2005
- Comoros' Working Party was established on 9 October 2007
- Equatorial Guinea's Working Party was established on 5 February 2008
- Somalia's Working Party was established on 7 December 2016
- South Sudan's Working Party was established on 7 December 2017

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<sup>1</sup> See African Ministers of Trade, Declaration on WTO Issues, issued at its Tenth Meeting held in Accra, Ghana, on 14 December 2019, and circulated to the WTO as WT/L/1088 (22 January 2020).

Just two weeks ago, our host country Ethiopia restarted its WTO accession negotiations after nearly eight years of inactivity.

Testing as these negotiations may be, it is notable that these countries are drawing on the successful accession experiences of three fellow African countries that joined the WTO since its establishment – Cabo Verde, Seychelles, and Liberia. I am also happy to report that the UNECA, along with the Accession Division of the WTO Secretariat and other development partners, is actively supporting the acceding countries in several different ways, including by assigning our experts to work directly with national technical teams.

### **Ladies and gentlemen:**

Africa's active participation in the multilateral trading system – and the tireless efforts of so many African countries to join the system – is underpinned by a deeply-held belief in the power of a rules-based system of economic governance to support a private-sector-led economy that can deliver people-centred and inclusive development. From that perspective, we are holding this Dialogue at an opportune moment, where Africa's long-held ambition to establish a continental single market has registered significant strides.

Now that the AfCFTA Agreement is in force, with 28 ratifications and its operationalisation due in July this year, the accession experience at the WTO will surely have its lessons for and bearings on the AfCFTA as well. Exploiting the synergies between the two levels of trade governance, the continental and the global, is equally important. The continental objectives of industrialization, structural transformation and integration must inform all decisions we take at all levels of the economic governance discourse.

As this particular session is dedicated to WTO Membership and AfCFTA Implementation, allow me to conclude by emphasising three points that are of a cross-cutting nature and apply to the multilateral and continental trading systems.

Firstly, to the extent both systems are designed to use trade liberalization and the creation of larger and more predictable markets and wider opportunities as means for inclusive and human-centred development, they share complementary, if not identical, objectives.

Secondly, history has shown that the natural market for any producer is the market that is geographically closest to it. Perhaps the only exception to this rule has been Africa, where the direction of its trade has been typically outward-looking, with infrastructure deliberately designed to facilitate trade between African countries and former colonial powers rather than amongst African countries themselves. The AfCFTA and the broader programme to boost intra-African trade is a long-overdue response to this challenge. In this sense, the success of the AfCFTA is an essential precondition to lift Africa out of its current state of dependency on the West not just for markets but also for the rules governing access to those markets. Until Africa manages to establish an integrated and attractive market and speak with one voice in global fora, it will remain a passive observer and rule taker rather than a meaningful participant in the setting of those rules.

Finally, the will demonstrated by virtually all African countries to subscribe to rules-based systems of governance at continental and global levels is often not matched by the institutional and human resource capacity necessary to succeed in this complex and fast-evolving field. Just as the regional and global trading regimes are complementary, so are the capacity requirements;

any capacity built or task accomplished under one regime is likely to address related challenges emanating from both regimes. What this also means is that those of us who are offering capacity building and enhancement support to these countries need to work together to ensure we avoid duplication, maximise the developmental-impact of every dollar we spend, and ensure the most efficient utilisation of the limited resources at our disposal.

**Ladies and gentlemen:**

By queuing up to join the WTO, and by signing and ratifying the AfCFTA Agreement and bring it into force in record time, these African countries are sending the unmistakable message that Africa's hope lies in a rules-based system of regional and global economic governance rather than one based on the law of the jungle where "might makes right". It is our enormous privilege and humble duty to support Africa to realize its ambitions.

I thank you!