

State of Play of the Agreement on the African Continental Free Trade Area (AfCFTA) and Implementation of the AU Sanitary and Phytosanitary (SPS) Policy Framework

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Dr. Godfrey Bahiigwa, Director, Department of Agriculture Rural Development Blue Economy and Sustainable Environment (ARBE)



- The African Continental Free Trade Area (AfCFTA)
- Institutional evolution of SPS in Africa
- SPS Policy Challenges
- The AU SPS Policy Framework development and Implementation
- How the AU SPS Policy Framework contribute to the objectives of the AfCFTA Agreement



The African Continental Free Trade Area (AfCFTA)

The AfCFTA - What is it?

- Flagship Programme of the African Union on Trade
- Single market for goods, services, facilitated by movement of persons
- Promoting industrial development through diversification and regional value chain development, agricultural development and food security
- Progressive elimination of tariffs and non-tariff barriers to trade in goods
- Cooperation on customs matters and the implementation of trade facilitation measures

Why is the AfCFTA important for Africa?

- Brings together 1.2 billion people, creating new and larger markets for SMEs to grow
- Huge growth potential for intra African Trade (52.3%) & global trade (6%) by 2022 with 90% tariff liberalization (ECA)
- Implementation of trade facilitation measures measures to reduce red tape and simplify customs procedures would drive \$292 billion of the \$450 billion in potential income gains from AfCFTA by 2035.
- Opportunity for African countries to bring 30 million people out of extreme poverty, raise the incomes of 68 million others who live on less than \$5.50/day through intra-African Trade,
- Implementing AfCFTA would help usher in reforms necessary to enhance long-term economic growth in African countries. (World Bank, 2020)



The African Continental Free Trade Area (AfCFTA)

- Decision for establishment of the AfCFTA endorsed in 2018, operational phase of the Agreement was endorsed in 2019
- 54 out of 55 countries have signed the AfCFTA Agreement
- As at 15 January 2021, 35 countries have deposited their instruments of ratification
- Start of trading under the AfCFTA began on 1 January 2021, in line with a Decision and Declaration adopted during the 13th Extraordinary Session of the Assembly of the Union on 5 December 2020
- Trade in Agricultural commodities will be a major contributor to traded goods in the AfCFTA
- Annex VII of the AfCFTA Agreement deals with SPS issues

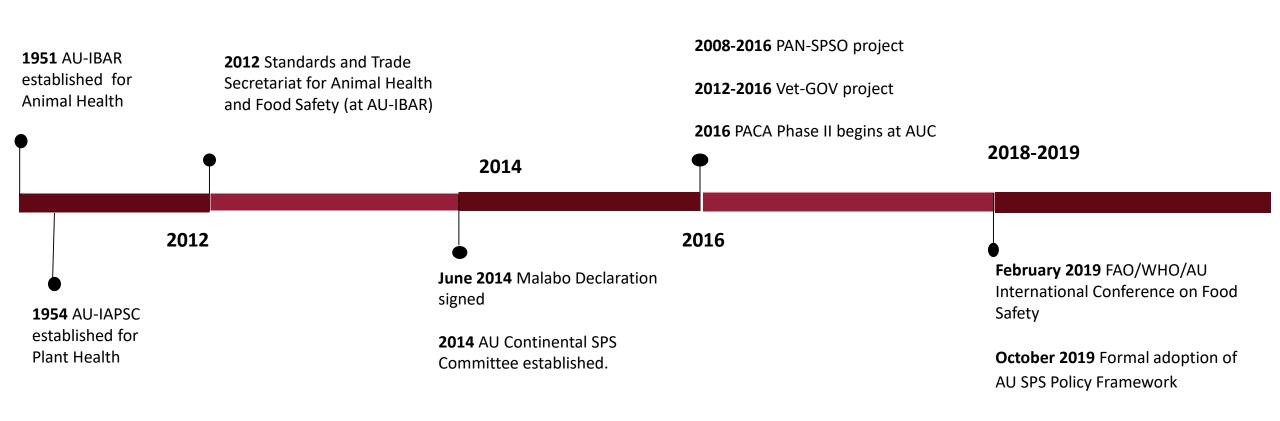
<u>Key message</u>: Pace of ratification is indicative of the tremendous commitment of AU Member States to operationalize and use the AfCFTA as a tool for the economic transformation of the continent

SPS Policy Challenges

- Limited enforcement of SPS compliance measures
- Inadequate infrastructure, capacity, and laboratories, and weak coordination mechanisms
- Duplicated mandates among regulatory agencies within Member States.
- Low awareness of SPS issues, leading to low priority of SPS among decision makers and inadequate financial resources for SPS.
- Limited scientific data sharing among agencies and Member States for policy creation.

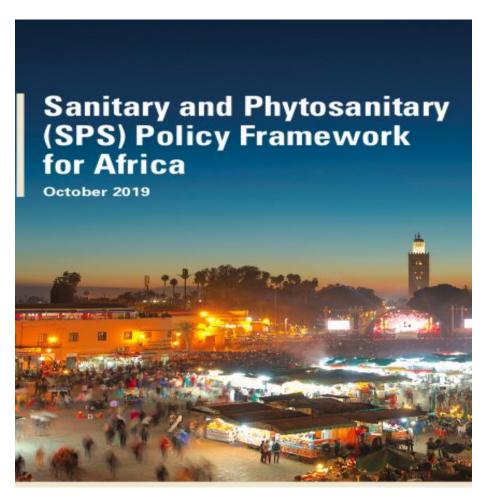
Key Message: The SPS challenges in Africa are known and well documented. The AU SPS Policy Framework has been designed to address these challenges

Institutional evolution of SPS at continental level



Key Message: AU SPS Policy Framework builds on 70 years history of implementing SPS measures

AU SPS Policy Framework Development & Implementation



- Developed through continental-wide consultative process.
- Adopted by the 3rd Ordinary Session of the Specialized Technical Committee (STC) on Agriculture, Rural Development, Water and Environment (ARDWE) in October 2019.
- Endorsed by the 36th Ordinary Session of the Executive Council in 2020
- The AUC has now commenced implementation of the framework in collaboration with Partners notably EU, USDA etc



Objectives of the AU SPS Policy Framework

Objective 1. Establish Harmonized Science-based SPS Systems

Objective 2. Increase Efficiencies and Reduce Trading Costs by working towards a Harmonized Continental SPS System.

Objective 3. Build Technical Capacity of Member States and RECs for efficient SPS control

Objective 4. Increase Political Support and Investment in SPS Systems

Key Message: A holistic approach is required to implement the Policy Framework to achieve the desired results

The AU SPS Policy Framework is the main tool for implementing SPS Annex VII of the AfCFTA

- Policy Framework seeks to strengthen efficiencies in intra-African trade under AfCFTA through harmonization of SPS standards & border processes, sharing of information, technical capacity.
- Policy Framework seeks to strongly and consistently align African SPS systems with international science-based standards, helping to operationalize Annex 7 of AfCFTA.
- Policy Framework seeks to support more productive & sustainable food systems on the continent, in order to help countries meet rising demands
- Policy Framework addresses African food safety governance and capacity, strengthening prevention and surveillance systems for food safety hazards.

Key Message: The policy framework can facilitate the goal of bringing together a market of more than 1.2 billion people



<u>Key Message:</u> The AU SPS Policy Framework is the foundation for protecting domestic consumers' health, ensuring safe trade, promoting sustainable agricultural systems, creating jobs and economic prosperity within the AfCFTA



Role of AU, RECs and Member States in the implementation of the Policy Framework







Helps achieve goals of 2014 Malabo Declaration, CAADP targets, Advances Agenda 2063

Leverages existing work on harmonization to the benefit of all RECs

Increased participation and representation in international standard-setting work

Increases policy coherence among all institutions involved with SPS

Aids resource mobilization for implementation of regional policy initiatives

More efficient border crossings with use of transparent import/export inspections & certifications

Affirms use of science-based standards in line with ISSOs

Provides for needed training & infrastructure, information sharing, risk prioritization

Support for building public-private partnerships on SPS issues

Promotes tracking of progress on SPS using established indicators

Surveillance systems to prevent introduction of dangerous pathogens

Access to model systems of modernized SPS legislation/regulation

The AU SPS Policy Framework contributes to the SDGs











AU SPS framework will help expand market access, increase business & work opportunities AU SPS Policy Framework will contribute to zero hunger by building capacities for sustainable food systems Science-based SPS systems will contribute to safe and nutritious food Science-based SPS systems on the continent reduce non-tariff barriers and inequities in market access The Policy Framework advocates multistakeholder and publicprivate partnerships as the means for implementing SPS measures

All stakeholders are critical to the successful implementation of the AU **SPS** policy framework















Development

Partners (DP)

African Union Commission (AUC)

Regional **Economic Communities** (RECs)

Member States (MS)



Organizations

(UN and IO)



International **Standard Setting Bodies (ISSB)** (IPPC, OIE, Codex)



Civil Society, Non-Governmental **Organizations** and the Private Sector (CSO, NGO, PS)

Policy framework includes action tables for each objective/strategy

OBJECTIVE 1

ESTABLISH
HARMONIZED
SCIENCE-BASED
SPS SYSTEMS

Support Member
State efforts to
establish harmonized
science-based SPS
systems, taking
into account both
the international
standards and
regional conditions.

Strategy 1.1. Support Member States' legislative/regulatory review, harmonization, and modernization of SPS legal/regulatory frameworks based on international standards.

| | Responsible Institutions | Priority Level |
|---|-----------------------------|----------------|
| Action 1.1.1: Identify countries that require legislative review of their laws/ regulations to facilitate modernization of legal frameworks on SPS. | AUC, REC, MS, ISSB, DP | short |
| Action 1.1.2 : Support countries to use tools of ISSBs for legislative review. | AUC, REC, MS, DP, ISSB | short |
| Action 1.1.3: Encourage MS to facilitate compliance with SPS measures through legal enforcement and self-regulation. | AUC, REC, MS | short |

Key Message: Refer to the full SPS policy framework and identify the actions your institution can support

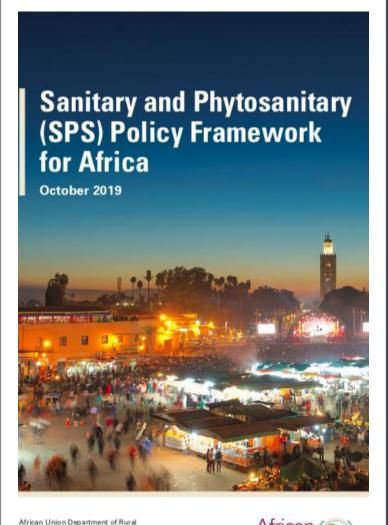
OBJECTIVE 4

INCREASE
POLITICAL
SUPPORT AND
PUBLIC AND
PRIVATE SECTOR
INVESTMENT IN
SPS SYSTEMS

Enhance
opportunities
to expand intraAfrican trade of
plants, animals,
and food through
strengthened publicprivate cooperation,
awareness raising and
resource mobilization.

Strategy 4.2. Provide technical capacities for developing and supporting public-private partnerships to achieve mutual SPS goals (e.g., engage existing farmer/producer organizations, trader groups, SMEs, miller associations, retailers).

| | Responsible Institutions | Priority Level |
|---|--------------------------------------|----------------|
| Action 4.2.1: Support national-level dialogues between public and private sector on regulatory environment and the technical support that is needed for compliance. | AUC, REC, MS, PS, CSO, NGO, IO | short |
| Action 4.2.2: Develop and disseminate technical guidance and case studies on how to facilitate effective public-private sector partnerships for SPS. | AUC, REC, MS, CSO, NGO, IO | medium |



THANK YOU FOR YOUR ATTENTION!



An Integrated, Prosperous and Peaceful Africa, driven by its own citizens, representing dynamic force in the international arena.

Economy and Agriculture





