



**R /156/45 (2023)**

## **Development of intra-African trade in view of the effective implementation of the African regional integration agenda**

*Resolution adopted by the 45<sup>th</sup> Conference  
(Abidjan, 15 december 2023)*

*The African Parliamentary Union, meeting in its 45<sup>th</sup> Conference on 14 and 15 December 2023 in Abidjan (Côte d'Ivoire),*

*Recalling* that Agenda 2063 adopted by the African Union places great importance on the role that trade plays in developing economies and recognizes that trade is a powerful engine of economic growth and development;

*Considering* that intra-African trade is one of the levers of social and economic development capable of generating high value-added potential for the manufacturing industry, knowledge transfer, productivity growth and job creation and of contributing to increase income and reduce poverty;

*Considering also* that the development of intra-African trade offers numerous opportunities to stimulate African integration, such as:

- the diversification of African exports currently dominated by raw materials and agricultural products;
- the creation of jobs and income, which are essential for reducing unemployment, poverty and inequality;
- attracting foreign direct investment, which is necessary to finance the development of infrastructure, innovation and human capital;
- the promotion of regional cooperation, which is essential to addressing challenges common to African countries, such as food security, climate change, public health or peace and security;

*Concerned* by the delay recorded in the development of intra-African trade and the growing importance of traditional North-South trade patterns;

*Underscoring* the need to undertake public reforms at the level of each country capable of promoting public and private investment, job creation and industrialization;

*Noting* that manufactured products represent a small share of African exports;

*Observing* that African economies face difficulty developing value chains, particularly producing processed or semi-processed goods;

*Recognizing* that efficient and secure payment systems are necessary for the development of intra-African trade;

*Welcoming* the establishment of the African Continental Free Trade Area (AfCFTA) and its launch on 1 January 2021, which aims to create a single market of more than 1.3 billion people, constitutes a big step towards African economic integration and opens up prospects for boosting intra-African trade, strengthening complementarities in production and exports, and creating added value and jobs;

*Recalling* that the AfCFTA refers to a continental geographical area in which goods and services circulate without restriction between the Member States of the African Union, and aims to:

- promote the development of regional value chains and the strengthening of productive capacities in the manufacturing and services sectors;
- enable African countries to increase the income of millions of inhabitants;
- enhance Africa's attractiveness as an investment destination chain, providing access to a larger and more integrated market;

*Convinced* that the success of the AfCFTA is closely linked with broader African regional integration and that it is necessary to overcome obstacles such as insufficient infrastructure, tariff and non-tariff barriers, low product diversification, market fragmentation and weak policy coordination;

*Considering* that several challenges that undermine and slow down the implementation of the AfCFTA must be addressed, namely:

- non-compliance with State commitments and insufficient political resolve to support local businesses in the transition to the continental market;
- the persistence of non-tariff barriers between countries, including in terms of health and technical standards, customs procedures and administrative restrictions;
- the weak development of transport, communication and energy infrastructure hindering the mobility of goods and people and contributing to the increase in production and transaction costs;
- the weak capacity to negotiate as a bloc against other economic blocs;
- counterfeiting;
- the costs of implementation, adjustment and diversification of economies and strengthening of productive capacities;
- the lack of vitality in political and institutional coordination between the different regional economic communities (RECs);
- security problems caused by armed conflicts, terrorism, transnational crime and other crises undermining regional stability;

- the low capacity for movement of people due to the absence of a single passport for all Africans;

*Affirming* that regional integration provides opportunities for Africans, particularly the youth and women, to participate in the development of the continent and benefit from the opportunities created by intra-African trade;

*Considering* that regional integration in Africa is still maturing, and that many regional alliances are characterized by uncoordinated initiatives, political conflicts and weak intra-regional trade;

1. *Invites* African States to promote policies and strategies aimed at preventing and resolving armed conflicts, terrorism, transnational crime and the various crises that may threaten stability and peace in the region and hinder the development of intra-African trade;
2. *Requests* that African States ensure compliance with commitments made regarding intra-African trade and strengthen support for local businesses during the transition to the continental market;
3. *Strongly recommends* the acceleration of the implementation of policies and programmes that enable African countries to promote economic diversification, create added value and derive higher income from their commodities, with a view to developing intra-African trade and integrating global value chains;
4. *Encourages* all African countries to join the Pan-African Payment and Settlement System (PAPSS) established by the AfCFTA and the African Export-Import Bank (Afreximbank);
5. *Urges* African countries to further promote stock exchanges at the national or regional levels and their interconnection at the continental level;
6. *Invites* African States to take the following measures aimed at implementing the trade integration process capable of substantially developing intra-African trade:
  - a. intensify political resolve in terms of, on the one hand, compliance with the commitments to which African leaders have subscribed and, on the other hand, mobilizing the resources necessary for the implementation of the AfCFTA;
  - b. strengthen regional markets and open trade opportunities for landlocked countries;
  - c. harmonize regulatory texts on the origin of products, health and technical standards, the elimination of tariff and non-tariff barriers, customs procedures and trade policies between countries and RECs;
  - d. promote and better communicate on the made in Africa label;
  - e. develop transport, communication and energy infrastructure and their connectivity with a view to reducing production and transaction costs;

- f. provide the necessary support to productive sectors and local businesses in the process of transition to the African market;
  - g. increase political and institutional coordination between the different RECs and the African Union to ensure coherence and complementarity of the integration initiatives of the African continent;
7. *Encourages* development partners to intensify efforts within the framework of the AfCFTA by providing technical and financial support to Member States, regional economic communities, the African Union and the public and private sectors, through the following actions:
- a. strengthening institutional and human capacities for the implementation of AfCFTA rules and commitments;
  - b. support for trade facilitation, including through the improvement of transport, communication and energy infrastructure, as well as the simplification and digitization of customs procedures;
  - c. financing implementation and adjustment costs related to reduced tariff revenues, increased competition, product diversification and the strengthening of productive capacities;
  - d. support for structural transformation and industrial policies, including through the development of regional value chains, support for innovation and competitiveness, promotion of entrepreneurship and financial inclusion;
  - e. concessional financing and debt forgiveness;
  - f. reinvigorating NEPAD to strengthen intra-African cooperation and trade;
  - g. encouraging and supporting African tourism;
  - h. developing a dense network of SMEs;
8. *Recommends* that States adopt measures aimed at reducing production costs by reducing taxes and allowing cheap transport and energy services, infrastructure and information and communication technologies (ICT) to contribute to improving the purchasing power of populations and commercial competitiveness;
9. *Calls for* the strengthening of dialogue and cooperation between different stakeholders, including governments, parliaments, the public sector, the private sector, civil society and regional organizations;
10. *Recommends* finally that African countries put in place development strategies and policies that prioritize innovation, industry, digital technology, education and health.
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