



THIRD REGIONAL DIALOGUE ON WTO ACCESSIONS FOR AFRICA

ECONOMIC TRANSFORMATION THROUGH WTO MEMBERSHIP AND THE IMPLEMENTATION OF THE AfCFTA

Addis Ababa, Ethiopia

12-14 February 2020

United Nations Conference Centre (UNCC)

BACKGROUND

1. Acceding to the WTO enables countries to design and implement credible economic and trade policy frameworks, build up their resilience to external shocks by diversifying their exports whilst also promoting heightened transparency and good governance. Given that contemporary trade policy reaches deeply behind borders into issues of domestic regulatory conduct, the process of WTO accession and of latest generation RTAs can form an important anchor for the pursuit of economy-wide reforms. Both processes serve an important disciplinary function by locking-in necessary reforms that may otherwise prove difficult to implement, particularly in countries with weak institutions of governance and/or concentrated economic structures. It is therefore important to align accession-related domestic reforms (alongside those stemming from deepened regional ties) to a broader national development agenda including, among others, economic diversification, institutional and regulatory strengthening, skills upgrading, FDI attraction and country re-branding strategies. The reform momentum that WTO accession allows can create an enabling environment for doing business that can help acceding governments strengthen the resilience of their economies and citizens while also fostering peace with neighboring countries.

2. On export diversification specifically, the 2016 Director General's Annual Report on WTO Accessions shows that on average, Article XII Members had exports in four (4) HS Chapters in the year of accession and six (6) HS Chapters in 2015. The increase in the number of HS Chapters owing, in part, to the manufacture of different products for export, could signal export diversification. Specifically, it is observed that there has been an increase in the number of HS Chapters for exported products, from the year of accession to the latest year¹ for 15 Members² out of 28 Article XII Members which acceded before 2015. These results may be attributed, *inter alia*, to market liberalization, the variety of tailored WTO accession-specific commitments and, benefits associated with WTO membership such as domestic regulatory reforms; enhanced rule of law and governance; effective transformation to market economy; and, increased international trade cooperation.

3. While countries in Africa seek membership of the WTO, they are also deepening ties on a regional level by implementing a multiplicity of preferential trade agreements, the largest, most recent and ambitious of which is the African Continental Free Trade Agreement (AfCFTA) agreed to earlier this year. Regional trade is today recognized as a key driver of economic diversification and more inclusive growth. Deeper integration ties can help generate a number of regional public goods, notably by promoting heightened regional connectivity, a particularly important dimension in Africa given the landlocked nature of several economies in the region and the resulting punitive trade costs. The fungible nature of trade policy formulation implies that efforts directed at providing technical assistance for WTO accession can also strengthen the capacity of recipient countries to implement and honor their regional commitments.

4. In this context, the WTO Secretariat, in partnership with the International Trade Centre (ITC), the World Bank, the United Nations Economic Commission for Africa (UNECA) and the African Union Commission will organize the third Regional Dialogue on WTO Accessions for Africa on 4 – 7 February 2020 in Addis Ababa, Ethiopia, under the theme "**Economic transformation through WTO membership and the implementation of the AfCFTA**"³. The dialogue will aim to promote a discussion among key trade policy stakeholders in Africa on three key dimensions:

- (i) Identify how WTO accession can help countries in the region to diversify their economies and export baskets with a view to strengthening their resilience to adverse shocks;
- (ii) Ensuring policy synergies between the simultaneous pursuit of WTO accession and AfCFTA implementation.
- (iii) Highlight how the process of WTO accession stands to benefit from strengthened engagement with the international community.

¹ Depending on data availability.

² These are; Albania, Armenia, Chinese Taipei, Croatia, FYROM, Georgia, Latvia, Lithuania, Moldova, Montenegro, Nepal, Panama, Russian Federation, Samoa and Vietnam.

³ French interpretation will be provided.

DRAFT PROGRAM

DAY 1: WEDNESDAY, 12 FEBRUARY 2020

09:00 – 09:30 **Registration**

OPENING SESSION

09:30 – 10:30 **Welcome Remarks**

- Mr Alan Wm. Wolff, Deputy Director-General, World Trade Organization (WTO)
- Mr Albert M. Muchanga, Commissioner for Trade and Industry, African Union (AU) [TBC]
- Ms Vera Songwe, Executive Secretary of the United Nations Economic Commission for Africa (UNECA) [TBC]
- Mr Rajesh Aggarwal, Chief, Trade Facilitation and Policy for Business, International Trade Centre (ITC)
- Representative of the World Bank Group
- Representative of Ethiopia [TBC]

10:30 – 10:45 **Group Photograph**

10:45 – 11:00 **Coffee Break**

HIGH LEVEL SESSION IN HONOUR OF AMBASSADOR CHIEDU OSAKWE (1955 -2019)

Bridging African Trade Policy and the Multilateral Trading System

Moderator: Mr Alan Wm. Wolff, Deputy Director-General, World Trade Organization (WTO)

The multilateral trading system has made a positive contribution to the expansion of the global economy and in the process lifted several millions of people out of poverty. Most of world trade continues to take place in accordance with agreed multilateral rules. Out of its 164 Members, the WTO has 44 Members from the African continent - 41 original Members and three (3) acceded to the Organization pursuant to Article XII of the Marrakesh Agreement: Cabo Verde in 2008, Seychelles in 2015, and Liberia in 2016. Currently, 9 out of the 22 countries in the queue for WTO membership are from the African continent. Ambassador Chiedu Osakwe has contributed to strengthening the values of the multilateral trading system and assisted African countries harness international trade through the AfCFTA at the Nigerian Office for Trade Negotiations. His remarkable career path supported the work towards reconciling African trade policy and the principles of the multilateral trading system. In a Davos-style discussion, our participants will share their views on the future African trade policy and the multilateral trading system amidst the AfCFTA negotiations and the WTO reform talks.

- 11:00 – 12:30**
- Mr Albert M. Muchanga, Commissioner for Trade and Industry, African Union (AU) [TBC]
 - Mr Adeyemi Dipeolu PhD, the Special Adviser to the President on Economic Matters in the Office of the Vice-President [TBC]
 - Ms Amina Mohammed, Cabinet Secretary for Sports Culture & Heritage, Kenya [TBC]
 - Ms Vera Songwe, Executive Secretary of the United Nations Economic Commission for Africa (UNECA) [TBC]

12:30 – 14:00 **Lunch Break**

SESSION 1

Maximizing the Benefits of AfCFTA Negotiations through WTO Accession

Moderator: [TBD]

The WTO accession process provides a unique opportunity for governments to engage in an unprecedented, all-encompassing domestic reform process. As acceding governments work to bring their legal framework into alignment with WTO principles, they consequently implement far-reaching changes in institutional and domestic economic policies. Currently nine African countries are in the process of WTO accession. This session will explore the key parameters these countries should consider as they engage in AfCFTA negotiations. Also, representatives of acceding governments will present the state of play of their respective accession processes

and share their perspectives on the synergies to be built on their WTO accession process and the AfCFTA negotiations.

14:00 – 15:00 The AfCFTA negotiations – State of play

- Representative of the African Union

The WTO accession negotiations – State of play

- Ms. Maika Oshikawa, Director of the Accessions Division, WTO

15:00 – 16:00 Round Table Discussion

"WTO Accession and the AfCFTA as a pathway towards economic development"

- Representatives of Algeria
- Representatives of Comoros
- Representatives of Equatorial Guinea
- Representatives of Ethiopia
- Representatives of Somalia
- Representatives of South Sudan

Representatives of Sudan

16:00 – 16:15 Coffee Break

SESSION 2

Structural Transformation and Export Diversification

Moderator: [TBD]

Trade liberalization is most effective in prompting economic development when accompanied with appropriate domestic policies needed for a mutually beneficial exchange between trading partners. For Africa to reap the benefits of trade liberalization through regional integration and/or accession to the multilateral trading system, special attention must be given to the underlying issues that primarily stalled trade within and outside of the continent. Structural reform challenges and a homogenous reliance on the export of primary commodities appear to be salient among those issues. As African leaders engage in the implementation phase of the African Continental Free Trade Area (AfCFTA), policies aimed at launching structural reforms and promoting export diversification must be at the center of the discussions. In this session, experts will discuss (i) the structural reforms and economic diversification strategies African countries can adopt as they are pursuing the AfCFTA negotiations and/or WTO accession and (ii) evaluate the poverty impact of market opening.

16:15 – 17:00 Economic Development through Structural Transformation and Export Diversification

- Mustapha Sadni Jallab, Head, Training and Research Division, UNECA [TBC]

Followed by open discussion

17:00 – 17:45 Evaluating the Economic Impact of Market Opening

- World Bank Group Representative [TBC]

Followed by open discussion

18:00

Reception to be hosted by the Government of Ethiopia

SESSION 3 (part 1)

WTO Accession and the AfCFTA: Building Synergies on Substance

Moderator: [TBD]

Joining the WTO is a negotiating process which requires: (i) the examination of the foreign trade regime of the acceding government by WTO Members and, multilateral negotiations on the acceding government's accession commitments on rules; and, (ii) the bilateral market access negotiations between the acceding government and WTO Members on goods and services. In this segment we will examine the synergies that can be built around key aspects on trade negotiations which are rules and market access (goods and services) negotiations and explore the benefits of accession-related technical assistance and capacity-building.

09:00 – 10:30 WTO accession and the AfCFTA – synergies on rules

- Representative of the WTO Secretariat

Followed by open discussion

10:30 – 10:45 Coffee Break

10:45 – 12:30 WTO accession and the AfCFTA – synergies on market access (goods and services)

- Representative of the UNECA [TBC]

Followed by open discussion

12:30 – 14:00 Lunch Break

SESSION 3 (part 2)

WTO Accession and the AfCFTA: Building Synergies on Process

Perspectives of Acceding Governments and the Private Sector

Moderator: [TBD]

After having heard the perspectives of technical experts, acceding governments will share their thoughts on ensuring policy synergies between the simultaneous pursuit of WTO accession and AfCFTA negotiation/implementation. We will also hear the perspectives of private sector representatives.

14:00 – 15:30 The WTO accession process and the AfCFTA negotiations – Perspectives of Acceding Governments

- Representatives of Algeria
- Representatives of Comoros
- Representatives of Equatorial Guinea
- Representatives of Ethiopia
- Representatives of Somalia
- Representatives of South Sudan
- Representatives of Sudan

Followed by open discussion

15:30 – 15:45 Coffee Break

15:45 – 17:00 The WTO accession process and the AfCFTA negotiations – Perspectives of the private sector

- Representatives of Algeria
- Representatives of Comoros
- Representatives of Equatorial Guinea
- Representatives of Ethiopia
- Representatives of Somalia
- Representatives of South Sudan
- Representatives of Sudan

Followed by open discussion

17:00

End of day 2

DAY 3: FRIDAY, 14 FEBRUARY 2020

SESSION 4

Engaging with the International Community

Moderator: [TBD]

In the context of WTO Accessions, the international community refers to the external stakeholders involved in the accession process. This includes inter alia WTO Members (Article XII and Original), development partners, international consultants etc. This session will first (i) explore the set of technical assistance available for acceding governments, then (ii) examine the importance of integrating the Diaspora in the accession process and lastly, (iii) explore the importance of establishing an effective communication strategy.

Mobilizing Technical and Political Support

09:00 – 10:00

- Representative of AU Commission
- Representative of ITC
- Representative of UNECA
- Representative of the World Bank
- Other development partners and WTO Members

Followed by open discussion

10:00 – 10:15

Coffee Break

10:15 – 11:15

Diaspora Engagement in Trade Policy Negotiations

- Representative of Somalia

Accession Communication Strategy – Best Practices

- Accessions Division

"Break out session"

*In this session, participants will be divided into three groups. Each group will be given **30 minutes** to discuss their take-aways and perspectives on effective stakeholder engagement. Each group will be given one of the topics discussed in session 4:*

Group 1: *Mobilizing technical and political support*

Group 2: *Diaspora engagement in trade policy negotiations*

Group 3: *Communication strategy in accession negotiations*

*At the end of their concertation, each group will be given **10 minutes** to present their conclusions.*

12:30 – 13:30

Lunch Break

CLOSING SESSION

Moderator: [TBD]

13:30 – 14:30

Adoption of the Outcome Document

14:30 – 17:00

Closing remarks

- Mr Alan Wm. Wolff, Deputy Director-General, World Trade Organization (WTO)
- Mr Albert M. Muchanga, Commissioner for Trade and Industry, African Union (AU) [TBC]
- Ms Vera Songwe, Executive Secretary of the United Nations Economic Commission for Africa (UNECA) [TBC]
- Mr Rajesh Aggarwal, Chief, Trade Facilitation and Policy for Business, International Trade Centre (ITC)
- Representative of the World Bank Group
- Representative of Ethiopia [TBC]

17:00

End of day 3

PARTICIPANTS

Acceding Governments (Minister + 3)

- Algeria
- Comoros
- Equatorial Guinea
- Ethiopia (Host Government)
- Libya**
- Sao Tome and Principe**
- Somalia
- South Sudan
- Sudan
- [Eritrea]

WTO Members (2)

- Djibouti
- Kenya

Chairpersons (5)

- Afghanistan
- Denmark
- Japan
- Peru
- Uruguay

External Experts (2)

Private Sector (2 per Acceding Government)

- Algeria
- Comoros
- Equatorial Guinea
- Ethiopia (Host Government)
- Libya***
- Sao Tome and Principe***
- Somalia**
- South Sudan
- Sudan
- [Eritrea]

International Organizations and Development Partners

- African Development Bank (AfDB)
- African Union (AU)
- Department for International Development (DFID)
- Intergovernmental Authority for Development (IGAD)
- International Monetary Fund (IMF)
- International Trade Centre (ITC)
- United Nations Conference on Trade and Development (UNCTAD)
- United Nations Economic Commission for Africa (UNECA)
- United States Agency for International Development (USAID)
- World Bank