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TRADECOM II News

INFORMATION BULLETIN OF TRADECOM II PROGRAMME

EUROPEAN DEVELOPMENT DAYS 2017

GREAT SUCCESS FOR
TRADECOM II CO-EVENTS:

“BOOSTING INVESTMENT FOR
ACP INCLUSIVE TRADE AND
DEVELOPMENT”

“PROMOTING INCLUSIVE TRADE
IN AFRICA”



EDD17

GREAT SUCCES FOR TRADECOM II CO-EVENTS

The 11th edition of the **European Development Days (EDD 2017)** took place in Brussels at Tour & Taxi on 7-8 June 2017 under the theme of “Investing in Development”. The **EU-ACP TradeCom II Programme**, **EU-ACP Technical Centre for Agricultural and Rural Cooperation (CTA)**, and the **EU-ACP Technical Barriers to Trade Programme (TBT)** jointly organised two debates on pressing development issues in the African, Caribbean and Pacific countries (the ACP Group).



Boosting Investment for ACP Inclusive Trade and Development

The first session “**Boosting Investment for ACP Inclusive Trade and Development - Harnessing Investment Opportunities to Empower ACP Member States as the World’s Next Emerging Economy**” moderated by **Viwanou Gnassounou** (Assistant Secretary General, ACP Secretariat) was aimed at showcasing ACP Group as the next generation of the world’s emerging economy and presented intra-ACP initiatives aimed at spurring investment opportunities to support trade expansion and sustainable development.

In her opening key-note address through a video link during the first session, **Dr. Ameenah Firdaus Gurib-Fakim** (President of

the Republic of Mauritius) captured the key themes and issues addressed by the two panels. According to **Dr. Gurib-Fakim**, meaningful intra-ACP trade opportunities need to be developed and consolidated where they already exist. To achieve this, the ACP economies must keep on the diversification process. One of the area of focus will be agribusiness for small scale farmers through improved productivity and processing. If agriculture is developed properly, it will address food security and bring millions out of absolute poverty.

Dr. Gurib-Fakim recognised the strong and evolving relationship between the EU and ACP but one must be mindful of the expiring day of the ACP EU Cotonou Partnership Agreement in early 2020. There is a call for a more focused engagement in light for the scheduled negotiations with the ACP partners in 2017-2018 to ensure that the benefits of, for instance, the TradeCom II Programme initiatives will lead to sustainable economic development and poverty reduction through closer regional integration and increase participation in the global economy.

Roberto Ridolfi (Director, Sustainable Growth and Development, DG DEVCO) highlighted the crucial role played by the EU funded TRTA, like the TBT Programme and Tradecom II. The first, now in its closing phase, all over the last four years has proven the importance of standards and the need for ACP to overcome TBTs. TradeCom II is a powerful instrument to promote EU-ACP trade agenda particularly in this moment when discussions on post-Cotonou are ongoing.

Trade is the largest economic dimension, it is at the heart of development as it can trigger inclusive growth and sustainable investments that will lead, ultimately, to peace, stability, poverty alleviation and better life. The DEVCO Director also mentioned how innovation and research are instrumental to development and to the empowerment of ACP economic potentialities. Finally, **Roberto Ridolfi** recalled that the capacity policy has to regulate trade and ensure inclusive growth.





Roberto Ridolfi (Director, Sustainable Growth and Development, DG DEVCO)

Pamela Coke-Hamilton (Executive Director, Caribbean Export Development Agency) pointed out that Caribbean region should look closer at Africa and how it is becoming the new economic tiger continent. Under the 10th EDF, the Caribbean region focused on how to promote investments and developed a regional strategy aiming at leveraging the regional potentialities. In order to attract investments in the near future, the Caribbean region should enhance its economies of scale at regional level and expand it at each single country.



Pamela Coke-Hamilton (Executive Director, Caribbean Export Development Agency)

Pamela Coke-Hamilton also mentioned that the intra-ACP collaboration is critical to take full advantage of the EPAs. It is paramount to identify areas of interests and share best practices in the common goal of developing intra-regional trade.

According to **Steve Kayizzi-Mugerwa** (Advisor to the International Monetary Fund – IMF) ACP States should promote governance and accountability through dedicated agencies that “prevent the state from morphing into a Leviathan”. More private-public partnership is needed, along with the use of new technologies to make states more efficient i.e. e-government, e-taxes, e-banking, etc.

Steve Kayizzi-Mugerwa pointed out that sustainable development is at stake and how to ensure an inclusive growth is the current challenge for all the ACP states. Many ACP states, especially in Africa, have seen above average growth in the past decade and a half mainly because of natural resources exports. The evidence is that growth has not been shared equally and inequality has increased in some countries. It is clear that it’s time to take action to start the process of economic transformation and the climate change is certainly a challenge that governments must address.



Steve Kayizzi-Mugerwa (Advisor to the International Monetary Fund – IMF)

Masego Marobela (Managing Director, Botswana Bureau of Standards) recalled that one of the major challenges regarding trade facilitation in Africa is certainly linked to the disparities of National Quality Infrastructure that affect, in a negative way, the trade environment. The established Pan African Quality Infrastructure (PAQI) along with the RECs like COMESA, EAC, SADC have already put in place sub-region structures to provide mechanisms to progressively reduce these TBTs, but a lot still needs to be done.

Masego Marobela stressed out that, in order to boost investment for ACP inclusive trade and development, first step should be to put in place an effective infrastructure and then to enhance alliances and cooperation at sub-regional, regional and international levels.



Masego Marobela (Managing Director, Botswana Bureau of Standards)

Following the speakers' presentations, during the Q&A session, questions from the audience were asked about how to increase regional trade of African products and which role the youth organisations and NSA can play to ensure inclusiveness.

Roberto Ridolfi stated that in order to enhance trade capacity, the investment environment must be safe, reduce the risks to attract investments from both national and international entities. ACP states need to enforce the rule of law and fight corruption and can count on partnership and dedicated technical assistance on legal enforcement.

Steve Kayizzi-Mugerwa encouraged young generations to take an active part in the economy, to get proactive in the engagement with the private sector and in the public sphere.

Masego Marobela shared these views and stated that NSA have a role to play in the decision-making process and can contribute to shape policy and its enforcement.

Finally, **Pamela Coke-Hamilton** stressed out that political will is crucial to drive change and urge the ACP countries to move on a more inclusive and sustainable approach to development and trade.



Promoting Inclusive Trade in Africa

The second session entitled: ***“Promoting Inclusive Trade in Africa - Boosting Cross Border Trade through Simplified Trade Regimes: Supporting Local Businesses to Address the Informal Economy in Africa”*** delivered a strong message on the need to create an enabling business environment to encourage investment and enable SME's to undertake more regional trade. Creating a conducive regulatory framework featured strongly as an issue that should be prioritised by policymakers in Africa to address the high levels of informal economic activity and reduce the volumes of capital flight from the region.



Stefano Manservisi (Director General, DG DEVCO) addressed this point directly during the session on Promoting inclusive trade in Africa. “Small scale trading in Africa is still the vast majority – 72% is in the informal economy...Working in the informal sector is not a choice, it is the result of a poor regulatory framework in which to do business.”



Stefano Manservisi (Director General, DG DEVCO)

Frank Malsaert (CEO of TradeMark East Africa) further elaborated on this issue, explaining how the simplified trading regime supported by TradeMark East Africa helps to streamline cross border trade regulation, thus reducing the compliance costs borne by small traders, especially women.



Frank Malsaert (CEO of TradeMark East Africa)

Koen Doens (Director East and Southern Africa and ACP coordination, European Commission – DG for International Cooperation and Development) noted that in the context of the EPAs, the EU was keen to focus its efforts in supporting ACP countries to build their capacity to add value and produce goods that can be traded, echoing the statements made earlier by Mr Manservisi. These efforts would form a significant portion of the EU’s recently launched External Investment Plan, which aims to de-risk investment into Africa through three pillars: the European Fund for Sustainable Development (EFSD); technical assistance for broader policy environment to help attract investors and engage the private sector; and programmes to improve the investment climate and the overall policy environment.



Koen Doens (Director East and Southern Africa and ACP coordination, European Commission – DG for International Cooperation and Development)

Hermogene Nsengimana (CEO of the African Organisation for Standardisation-ARSO) explained the efforts that were taking place at the regional levels in Africa to harmonise standards, to create regional centres of excellence for standards and to develop more collaboration with partners, particularly the private sector and other international standard setting bodies.



Hermogene Nsengimana (CEO of ARSO)

Janet Ngombalu from the Eastern African Grain Council (EAGC) noted that the private sector and producers can take advantage of standards in order to be more competitive and also promote value addition and regional trade, as has been the case with grain producers in Eastern Africa.



Janet Ngombalu (Eastern African Grain Council-EAGC)

The two events were well attended and were considered by all the participants to have been a great success in terms of participation and quality of discussion.

11 JULY 2017

13:00 – 14:30, Geneva, WTO, Room S1

THE INCLUSIVENESS AND CONNECTIVITY DIMENSIONS OF EU-ACP TRADE AND DEVELOPMENT COOPERATION



AID FOR TRADE GLOBAL REVIEW 2017

JOINT EU-ACP SIDE EVENT

THE INCLUSIVENESS AND CONNECTIVITY DIMENSIONS OF EU-ACP TRADE AND DEVELOPMENT COOPERATION

The **Aid for Trade Global Review 2017** will take place at the **WTO** headquarters in **Geneva on 11 — 13 July 2017**. This year's Global Review is dedicated to the theme of “**Promoting Trade, Inclusiveness and Connectivity for Sustainable Development**”, and will provide an opportunity for stakeholders to look at how Aid for Trade can contribute to the integration of developing countries and least developed countries into the multilateral trading system and the achievement of the 2030 Agenda for Sustainable Development.

The **EU-ACP TradeCom II Programme**, the **EU-ACP Technical Centre for Agricultural and Rural Cooperation (CTA)** and the **EU-ACP Liaison Committee (COLEACP)** will jointly organise an EU-ACP side-event on how to bolster inclusiveness and connectivity dimensions of EU-ACP trade and development cooperation and translating the “**EU External Investment Plan**” and “**Digital4Development**” agendas into sound policy and modalities for effective implementation of the aid-for-trade commitments. To that end, the high-level panel for this side-event will see the contributions of experts such as **Viwanou Gnassounou** (Assistant Secretary General, ACP Secretariat), **Catherine KROBO-EDUSEI** (CEO of Eden Tree in Ghana), **Jane NGIGE** (CEO of Kenya Flower Council), **HE Tadeous Tafirenyika CHIFAMBA** (Co-President of ACP-EC Trade & Commodities Sub-Committee), **Hermogene NSENGIMANA** (Secretary General, African Organisation for Standardisation - ARSO), **Axel POUGIN DE LA MAISONNEUVE**

(Deputy Head of Unit, Private Sector and Trade-EC's DG DEVCO) who will address, inter alia, the following key issues:

- 🌐 What are good practices and lessons learned of EU ACP cooperation modalities on trade inclusiveness and connectivity?
- 🌐 What can be the future of EU-ACP aid for trade interventions, in particular in enhancing the connectivity of ACP private sector actors to regional and international markets?

The side event will be held on the 11th June 2017 at 1:00 pm in the Room S1 of the WTO headquarters in Geneva.

TRADECOM II PROGRAMME

BUILDING ACP TRADE CAPACITY
RENFORCER LES CAPACITÉS COMMERCIALES DES ACP

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