







CONCEPT NOTE & PROVISIONAL PROGRAMME (15 September 2023)

Learning Workshop for the Year of AfCFTA Implementation:
Acceleration of the African Continental Free Trade Area (AfCFTA)

Using Good Regulatory Practice to Facilitate Safe Trade in Africa

Accra, Ghana 21-22 September 2023

Introduction

- 1. The African Continental Free Trade Area (AfCFTA) aims to reduce poverty across the continent by eliminating trade barriers and boosting intra-African trade. Forty-six countries have ratified the Agreement to reduce the costs of trading across borders and ease cross-border movement of goods. The World Bank estimates that the AfCFTA will increase intra-African exports by more than 81%, thereby increasing Africa's income by US\$450 billion by 2035.
- 2. Non-Tariff Barriers (NTBs) represent one of the biggest challenges to the success of the AfCFTA. The IMF estimates that removing NTBs could be up to four times more effective in boosting trade in Africa than tariff reductions. UNCTAD predicts that African countries could gain US\$20 billion in GDP growth by tackling such barriers at the continental level. The AfCFTA Protocol on Trade in Goods defines NTBs as "barriers that impede trade through mechanisms other than the imposition of tariffs". NTBs are restrictive regulations and procedures that add to the difficulty and cost of importing or exporting products. They include unjustified and improper application of non-tariff measures (NTMs) including sanitary and phytosanitary (SPS) measures applied by government authorities.
- 3. All countries maintain SPS measures to ensure that food is safe for consumers and to prevent the spread of pests or diseases among animals and plants. SPS measures include all relevant laws, decrees, regulations, requirements and procedures including testing, inspection, certification and approval procedures. In Africa, poorly designed and/or improperly implemented SPS measures account for a large share of NTBs faced by the private sector. Strengthening capacity to improve the design and proper implementation of SPS measures is key for the success of the AfCFTA, particularly since agricultural and food commodities account for over 75% of all trade in goods on the continent.
- 4. AU member states have recognized the urgency of tackling NTBs. State Parties to the AfCFTA are required to "progressively eliminate tariffs and non-tariff barriers to trade in goods". The <u>Agreement Establishing the AfCFTA</u> includes an Annex to eliminate NTBs and provides a mechanism for the identification, categorization and progressive elimination of NTBs within the AfCFTA.
- 5. The AU SPS Policy Framework provides a roadmap for key stakeholders notably AU institutions, Regional Economic Communities (RECs), Member States, and the private sector to work together to, in addition to maximizing the efficiency and effectiveness of SPS systems on the continent, to facilitate safe intra-African agricultural and food trade. Effectively implementing the SPS Policy Framework is key for the operationalization of Annex 7 of the AfCFTA Protocol on Trade in Goods, which calls for the implementation of the "provisions of the Protocol on Trade in Goods concerning Sanitary and Phytosanitary measures" that affect trade between Member States.

¹ https://www.weforum.org/agenda/2022/05/africa-free-trade-recovery-development/

² https://unctad.org/project/afcfta-support-programme-eliminate-non-tariff-barriers-increase-regulatory-transparency-and

- 6. AU Member States and RECs are expected to take action to implement the Agreement and SPS Policy Framework, including to strengthen their regulatory systems. Improved implementation and harmonization of SPS systems is critical to minimizing trade distortion while ensuring that agricultural trade protects human, animal and plant health. The SPS Policy Framework calls for SPS laws and regulations within AU Member States to be updated in accordance with the provisions of the WTO SPS Agreement commitments and relevant international standards.
- 7. Using Good Regulatory Practices can help AU Member States to improve the quality and effectiveness of SPS measures so that they protect human, animal, or plant life or health, without creating unnecessary barriers to trade. Good regulatory practices include international best processes, systems, tools and methods to improve the quality of regulations and ensure that regulatory outcomes are effective, transparent, inclusive and sustained. Good regulatory practices provide governments with tools and processes to make sure that regulations are "fit for purpose" and that they deliver the intended regulatory outcomes with reduced regulatory burden for the private sector and governments.
- 8. Using Good Regulatory Practices improves the design and implementation of SPS measures and reduces procedural obstacles to trade (including limited transparency on requirements, forms and fees; overlapping documentary requirements; longer than necessary waiting times; uncertainty, arbitrariness, unpredictability). This reduces costs for the private sector and makes sure that public resources are used optimally. Using GRPs improves compliance with the WTO Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement), including greater alignment with international standards for food safety (Codex), animal (WOAH) and plant health (IPPC).
- 9. The AUC, in collaboration with AfCFTA Secretariat and international partners, plan a two-day learning event to promote the use of GRPs to facilitate safe trade in Africa, in line with the AU's theme of the Year 2023: "Year of AfCFTA: Acceleration of the African Continental Free Trade Area Implementation". The event will increase knowledge and skills on the use of tools and processes to improve the design and implementation of SPS measures that are aligned with Annex 7 of the AfCFTA Agreement and the AU SPS Policy Framework. The event will also offer a space for participant input on the development of new tools and activities to effectively implement GRPs for SPS measures in their countries.

Purpose of the Learning Event

- 10. The purpose of the event is to generate political commitment to support greater use of GRPs to facilitate safe trade and accelerate effective implementation of the AfCFTA in a way that contributes to the Comprehensive African Agricultural Development Program (CAADP), Agenda 2063 and the Sustainable Development Goals (SDGs). The learning event will increase knowledge and skills on GRPs, and promote dialogue among the public and private sector and civil society on immediate actions to improve the development and implementation of GRPs in support of an accelerated implementation of the AfCFTA.
- 11. The event will be anchored on the requirements and expectations to implement the AfCFTA and SPS Policy Framework for Africa. It will draw on STDF's work, including the <u>STDF Guide on Good Regulatory Practice</u>, as well as relevant technical work of STDF partners and other members, including the U.S. Department of Agriculture.
- 12. The specific objectives are to:
 - (i) Increase awareness among participants about why additional efforts are needed to improve the design and implementation of SPS measures that are fit for purpose in a way that supports AfCFTA implementation.
 - (ii) Build understanding about how GRPs help to reduce the regulatory burden of SPS measures and improve compliance.
 - (iii) Share results, experiences and lessons from selected African countries and regions of how different GRPs are being used to improve the design and implementation of SPS measures in way that reduces NTBs and facilitates safe regional trade.
 - (iv) Equip participants with the knowledge and skills to promote and use GRPs to improve SPS systems in their country/region.

(v) Provide input into the design of new tools and activities to more effectively implement GRPs for SPS measures in participant's countries.

Audience

- 13. The Learning Event is targeted at representatives from national governments and the private sector in AU member states, as well as RECs and knowledge institutions that support trade / SPS policy and capacity development processes on the continent.
- 14. Approximately 50 participants are expected to participate including:
 - Representatives of government authorities responsible for food safety, animal and/or plant health from AU member states
 - Representatives from RECs in Africa
 - Representatives of the private sector including industry/trade associations with an interest in SPS measures.

Venue and Date

15. The Learning Event will be organized in Accra, Ghana on 21-22 September 2023, immediately after the SPS Coordination Forum meeting from 19-20 September 2023.

Programme

- 16. The event will be structured around plenary sessions and breakout groups to maximize the benefits of in-person interactions. The programme will be set up to maximize dialogue and learning in a way that allows participants to gain the knowledge needed to proactively make use of GRPs after the event.
- 17. Knowledge and experiences will be shared on the STDF Good Regulatory Practice Guide, as well as the practical use of GRPs (e.g. consultation processes, transparency, coordination, regulatory impact assessment) from selected African countries and regions, as well as internationally (including the United States and other countries).
- 18. Group exercises will be included to enable participants to discuss and reflect on how specific GRP tools and processes could be used in their own work.
- 19. As part of the event, the USDA will host a participatory session on development of a "GRPs for SPS Measures Toolkit", which is being piloted in several African countries.
- 20. Participants may be contacted prior to the event to respond to a digital survey and/or virtual consultation to better incorporate their work and perspectives on GRPs for SPS measures.

Language

English