

## DIRECTORATE OF INFORMATION & COMMUNICATION

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### **AU-FAO LAUNCH THE FRAMEWORK FOR BOOSTING INTRA-AFRICAN TRADE IN AGRICULTURAL COMMODITIES AND SERVICES**

The average import account in the African continent reached a total of 80 billion US dollars, growing about 6% per year, said in Nairobi (Kenya), the African Union Commissioner for the Department of Agriculture, Rural Development, Blue Economy and Sustainable Environment, Amb. Josefa Correia Sacko.

The Angolan diplomat in the AU Commission made these remarks at the launch of the framework to boost intra-African trade in agricultural products and services, a forum organized by the African Union and the United Nations Food and Agriculture Fund (FAO).

According to her, the continent's demand for food exceeds the domestic supply by twenty percent (20%). As such, the continent should take advantage of the fast-growing intra-African market opportunities, with the agriculture sector in need of a structural transformation that implies the shift from production systems focused on the subsistence market into others that guarantee benefits for the most vulnerable segments of the population, such as small farmers, rural women and the establishment of a linkage with farmers to the supply chains of regional and global value.

She recognized the important role the agricultural sector plays in Africa, as the dominant sector of the economy, in terms of its contribution to GDP growth, employment and trade, with African Heads of State pledging to promote intra-African trade in agricultural products and services, markets and local, regional and international trade opportunities.

To that end, they decided to treble, by the year 2025, intra-African trade in agricultural products and services, to create and improve policies and institutional conditions and food support systems, to simplify and formalize current commercial practices, as well as, accelerating the establishment of the African Continental Free Trade Area (AfCFTA) and the transition to a common Continental External Tariff (CET) scheme.

Further, she noted that market access remains a key challenge, for both intra- and extra-African trade, assuring that the African Union Commission has supported in terms of capacity building of related bodies and chambers of the domestic private sector to appropriately respond to the opportunities offered in the African Continental Free Trade Area (AfCFTA) agreements.

“Africa's trade is carried out largely by informal traders, which is a sign of institutional failure and is a testament to the fact that there is a shortage of trade-related capacities in Africa”, lamented the AU Commissioner.

Still, she assured that the establishment of the African Continental Free Trade Area (AfCFTA) further reinforces the gains to be achieved in terms of regional integration, in opening up new market opportunities for farmers and other economic operators.

High population growth, rapid urbanization and rising incomes will provide an opportunity not only to increase trade in food and non-food agricultural products and services, but also to increase food security in Africa, she said.

“It is common knowledge that Africa is a region that imports food, such as cereals, meat, dairy products, fats, oils and sugar, as the continent's demand for food continues to exceed domestic supply”, said the AU Commissioner, DRABE.

She further advanced that the African Union Commission, under her coordination, is developing a structure to boost intra-African trade (BIAT) in agricultural commodities and services that will guide Member States and partners in advancing the implementation of the agricultural perspectives and opportunities offered by AfCFTA agenda.

“Once again, motivated in part by the knowledge that the manufacturing is responsible for a lower share of Africa's exports and a key driver of intra-African trade, I am pleased to report that the AUC is aggressively facilitating supply and improvement in basic infrastructure to support export processing in Africa. In this regard, the Commission is supporting the establishment of African Common Agricultural Parks (CAAPs), which is a cross-border initiative and, at a regional level, to be implemented in AU Member States with a focus on agro-processing and small-scale factories size”, she concluded.

Also in attendance in the virtual event that took place from 14 to 17 April, were Mr. Wamkele Mene, Secretary-General of the Africa Continental Free Trade Area Secretariat, H.E. Mr. Alan Kyeremanten, Minister for Trade & Industry of the Republic of Ghana, Mr. Abebe Haile Gabriel, the Assistant Director General for Food and Agriculture Organization of the United Nations, Regional Office for Africa and Madame Elizabeth Nsimadala, President of the Pan African Farmers Organization (PAFO).

**For more information, please contact:**

Commissioner Office| Department of Agriculture, Rural Development, Blue Economy and Sustainable Environment| Email: [chicaiaa@africa-union.org](mailto:chicaiaa@africa-union.org) | Tel: +251911201915

**For media enquiry:**

**Molalet Tsedeke**

Directorate of Information and Communication African Union Commission: E-mails: [molalett@africa-union.org](mailto:molalett@africa-union.org); Tel: (+251) 911630631

**Directorate of Information and Communication** | African Union Commission, E-mail: [DIC@african-union.org](mailto:DIC@african-union.org) | Website: [www.au.africa](http://www.au.africa) | Addis Ababa | Ethiopia Follow Us: [Facebook](#) | [Twitter](#) | [LinkedIn](#) | [Instagram](#) | [YouTube](#)