

U.S. - Africa Rural Electrification and Smart Metering Standards Workshop

Virtual

Overview and Impacts of AfCFTA - AFSEC Date: 18-19 January 2022

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Content

Introduction – AfCFTA Agreement

(AfCFTA – Protocols, Institutional framework, General objective)

- Protocol on Trade in Goods Annex 6: Technical Barriers to Trade
- PAQI
- Role of AFSEC



Introduction - The AfCFTA Agreement

The Vision

A free Africa (1990)

Form an African Economic Community

Regional integration as a strategy/ approach

An integrated, peaceful & prosperous Africa (Agenda 2063) 15 June 2015 Negotiations Launched Johannesburg

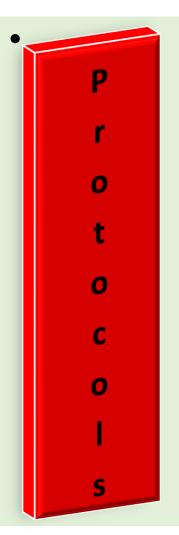
21 March 2018 AfCFTA Agreement Signed Kigali 30 May 2019 AfCFTA Agreement Entered into Force

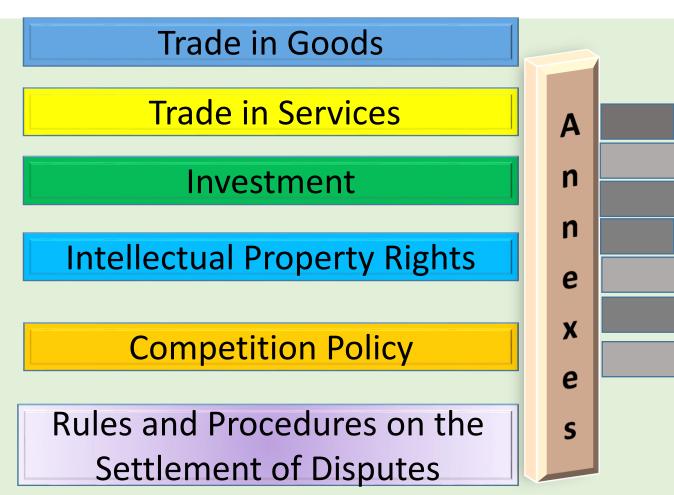


1 January 2021 Start of Trading under AfCFTA



African Continental Free Trade Agreement





Additional Protocols to be negotiated

- Protocol on E Commerce
- Protocol on Women and Youth
- Other Protocols may be proposed in the future, e.g. something relating to Climate Change



Institutional Framework for the Implementation of the AfCFTA

Key AfCFTA institutions.

- **1. The AU Assembly** provides oversight, guidance and interpretations of the Agreement.
- **2. The Council of Ministers of Trade-** The Council makes the decisions that pertain to the Agreement and report to the AU Assembly.
- **3.** The Committee of Senior Trade Officials -implements the decisions of the Council and monitors the development of the provisions of the AfCFTA.
- **4.** The Secretariat Accra, Ghana is established as an autonomous institution whose roles and responsibilities are determined by the Council.

Various Sub committees are appointed by the Council of Ministers e.g. Sub committee on TBT, NTB, SPS, RoO etc.





AfCFTA - General Objective & Principles (Article 3 & 5)

- Create a single market for goods, services,
- Boost and diversify Intra-Africa Trade
- Eliminate trade barriers.



Principles

- a. Driven by Member States of the African Union;
- b. RECs' Free Trade Areas (FTAs) as building blocs for the AfCFTA;
- c. Variable geometry;
- d. Flexibility and special and differential treatment;
- e. Transparency and disclosure of information;
- f. Preservation of the acquis;
- g. Most-Favoured-Nation (MFN) Treatment;
- h. National Treatment;
- i. Substantial liberalisation;
- j. Consensus in decision-making; and
- k. Best practices in the RECs, in the State Parties and International Conventions binding the African Union.



Protocol on Trade in Goods

Create a liberalised market for trade in goods

Specific objective

Boost intra-African trade

Aim: To deepen Africans market integration and significantly increasing the volume of trade that African countries undertake among themselves.

Seven clusters identified:

- Trade Facilitation,
- Trade Policy,
- Productive capacities,
- Trade related Infrastructure,
- Trade Finance,
- Trade Information and Factor Market integration.

Progressive elimination of tariffs

Progressive elimination of non-tariff barriers

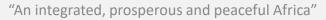
Enhanced efficiency of customs procedures, trade facilitation and transit;



Enhanced cooperation in the areas of **technical barriers to trade** and sanitary and phytosanitary measures

Development and promotion of regional and continental value chains

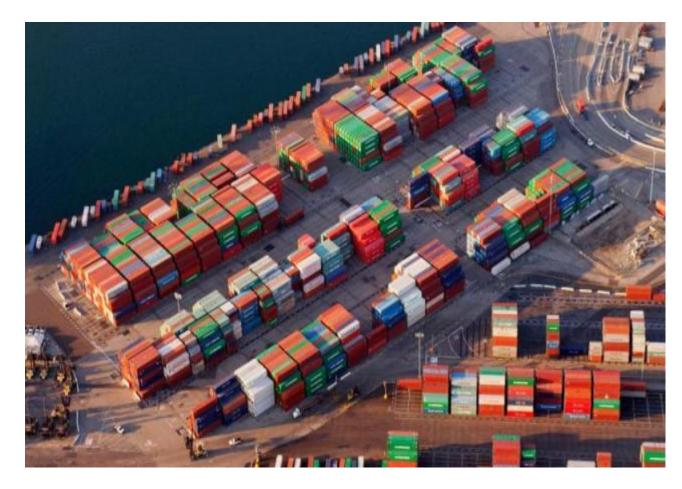
Enhanced socio-economic development, diversification and industrialisation across Africa







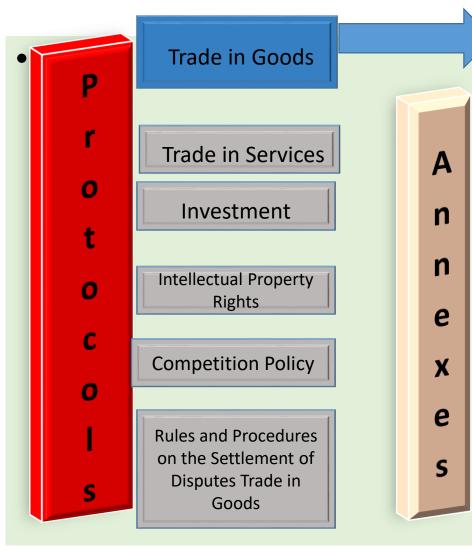
Protocol on Trade in Goods



9 Annexes



African Continental Free Trade Agreement



Protocol on Trade in Goods

A.1 Schedules of Tariff Concessions

A.2 Rules of Origin

A.3 Customs Cooperation and Mutual Administrative Assistance

A.4 Trade Facilitation

A.5 Non-Tariff Barriers

A.6 Technical Barriers to Trade

A.7 Sanitary and Phytosanitary Measures

A.8 Transit

A.9 Trade Remedies



 Applies to Standards, Technical Regulations, Conformity Assessment Procedures, Accreditation, and Metrology in the State Parties.

Definitions of:

- Standardization,
- Technical regulations,
- Conformity assessment procedures and related activities

have the meaning given to them by the *definitions adopted within the WTO TBT Agreement and by other international bodies* dealing with Technical Barriers to Trade (TBT) issues.











Annex 6 - Technical Barriers to Trade Objectives Article 4

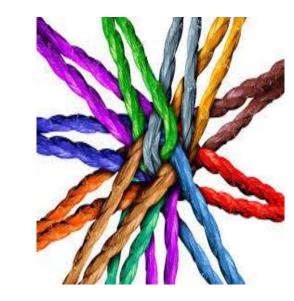
a. Facilitate trade through cooperation in **standards**, **technical regulation**, **conformity assessment**, accreditation and metrology;

b. Facilitate trade by the elimination of unnecessary and unjustifiable technical barriers to trade through:

- (i) Reinforce international best practices in regulation and standards setting;
- (ii) Promote use of **relevant international standards** as a basis for technical regulations; and
- (iii) Identify & assess instruments for trade facilitation e.g. harmonization of standards, equivalence of technical regulations, metrology, accreditation and conformity assessment.
- c. Strengthen cooperation and identify priority areas;
- d. Develop and implement capacity building programs

e. Establish **mechanisms** and structures **to enhance transparency** in the development and implementation of standards, technical regulations, metrology, accreditation and conformity assessment procedures; and

f. Promote mutual recognition of results of conformity assessment.





Fields of Cooperation - Article 5

State Parties shall cooperate in the **development** and **implementation** of :

- Standards,
- Technical regulations,
- Conformity assessment procedures,
- Accreditation,
- Metrology,
- Capacity building and enforcement activities in order to facilitate trade within the AfCFTA



Annex 6 - Technical Barriers to Trade Cooperation in Standardisation - Article 6

State Parties shall:

- a. Promote cooperation between their respective standardisation bodies with a view to facilitate trade
- b. Develop and promote the adoption and/or adaption of international standards;
- c. Promote the **adoption of standards developed** by the ARSO and the **AFSEC**;
- d. Where a relevant international standard required to facilitate trade does not exist, request the ARSO and/or the AFSEC to develop the required standard to facilitate trade between State Parties;
- e. Designate **liaison focal points** to ensure that all State Parties are well informed of the standards developed or to be developed by the ARSO and the **AFSEC**;
- **f.** Apply harmonized rules and procedures for the development and publication of national standards in accordance with international requirements and best practices; and
- g. Promote membership, liaison and participation in the work of ISO, IEC, ARSO, AFSEC and similar international and regional standardisation organisations.









Cooperation in Technical Regulations & Conformity Assessment – Article 7 & 8

Technical Regulations

State Parties shall promote:

a. Compliance with the WTO TBT Agreement;

b. Use of **international standards** and/or parts thereof as a basis for technical regulations;

c. Application of Good Regulatory Practices.



Conformity Assessment

State Parties shall:

a. Promote compliance with the WTO TBT Agreement;

b. Make use of relevant **international standards** and conformity assessment procedures;

c. Facilitate the development of conformity assessment **capacity** and **technical competence** that can support trade;

d. Promote the use of accredited conformity assessment bodies as a tool to facilitate trade

e. Promote **mutual acceptance** of conformity assessment results of conformity assessment bodies which have been recorgnised under appropriate multilateral agreements between their respective accreditation bodies and the relevant mutual recognition arrangements of the AFRAC, ILAC and IAF;

f. Enhance confidence in the continued reliability of each other's conformity assessment results through, among others, **peer reviews** where appropriate.



Cooperation in Metrology & Accreditation -Article 9 & 10



Metrology

State Parties shall:

a. Adopt and implement **SI** as basis for a harmonised system for legal, industrial and scientific metrology activities;

b. Cooperate in all areas of metrology by participating in the work of the AFRIMETS;

c. Facilitate movement and proper handling of metrology artefacts, test samples, test equipment and reference materials sent for calibration, testing or inter-laboratory comparisons within and outside Africa; and

d. Promote coordination of the use of existing metrology facilities with a view to making them accessible to one another.





Accreditation

State Parties shall:

- a. Promote utilisation of existing accreditation structures
- b. Encourage and support ABs to achieve international recognition;

C. Provide for and enable **recognition** and **support** of NABs, regional and multi-economy ABs **operating within the state parties** that **provide accreditation services to those state parties that do not have NABs**

d. Provide for a NAFP for accreditation services where NABs does exist

e. Cooperate in the area of accreditation by **participating** in the work of the **AFRAC**;

f. Promote participation in the AFRAC mutual recognition arrangements;

g. Promote and facilitate **use of accredited CABs** as a tool to facilitate trade

h. Coordinate inputs for liaison with the AFRAC, ILAC and the IAF.



Transparency- Article 11

Comply with the transparency obligations of the WTO TBT Agreement including notification procedures and notification systems developed from time to time;

Technical Assistance and Capacity Building-Article 12

Cooperate in seeking and providing technical assistance and capacity building to address standards, technical regulation, conformity assessment, accreditation, metrology and issues of mutual interest.

Establishment and Functions of the Sub-Committee for Technical Barriers to Trade- Article 13

- Functions of the TBT Sub-Committee shall include cooperation and consultation on standards, technical regulations, metrology, accreditation and conformity assessment matters of interest to the State Parties; among others
- (k) receive and share information on the activities of the PAQI institutions with all State Parties;

Dispute Settlement- Article 14

Settled in accordance with the Protocol on Rules and Procedures on the Settlement of Disputes.

Review and Amendment- Article 15

This Annex shall be subject to review and amendments in accordance with Articles 28 and 29 of the Agreement



Key issues for trade facilitation

- Transparency in the development & implementation
- Compliance with the WTO TBT Agreement
- Use of relevant international standards /SI units
- Good Regulatory Practices/international best practices
- Technical Assistance and Capacity Building



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Pan African Quality Infrastructure -PAQI

CAMI, June 2013, Nairobi- Kenya

- PAQI Forum is formerly recorgnised as a continental platform for all matters related to standardization, metrology and accreditation in order to strengthen the competitiveness of Africa's goods and services and contribute towards the industrialization of the continent and its sustainability
- August 2013 PAQI forum launched by African Union Commission -AUC

PAQI Comprise:

- AFSEC & ARSO for matters relating to standards
- AFRIMETS matters relating to measurements and traceability
- AFRAC matters relating to accreditation of conformity assessment services

PAQI has the responsibility to contribute its expertise to improve the quality of products and services in Africa in order to increase regional integration as well as promote and enhance intra-Africa trade.





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Role of AFSEC



Responsibility to contribute to the implementation of the AfCFTA

- Facilitate adoption of relevant international standards and;
- Development of appropriate standards to support local innovations
- Cooperate with the regional and continental bodies in the energy sector and coordinate development of appropriate standards to avoid duplication of efforts.
- Collaborate with cooperating partners to develop standards to support various projects being implemented on the continent in the energy sector
- Share information on the activities of AFSEC with all State Parties in the TBT Sub Committee;

AFSEC to contribute, influence, guide and lead through standards and Boost intra Africa Trade in the energy sector









"Stop looking at where you have been and start looking at where you are going"

Wisdom key

"An integrated, prosperous and peaceful Africa"