

# Trade partnerships must be aligned to the AfCFTA

Trade partnerships should be aligned to the African Continental Free Trade Agreement (AfCFTA), Trade and Industry Minister Ebrahim Patel said



Minister of Trade and Industry, Ebrahim Patel

He was addressing one of the opening sessions of the African Ministers Consultative Meeting in Abidjan, Cote d'Ivoire, in preparation for the Africa Growth and Opportunity Act (Agoa) Forum with the United States. "This is the first Agoa Forum since the launch of the operational phase of the AfCFTA, the potential economic game changer for our continent and the realisation of the decades old dream of the African economic unity."

"It is our 'Made in Africa' initiative and we have the opportunity in these proceedings to align Agoa and all our external initiatives to the goals of the African Continental FTA to enable us to speak with one voice and to build African Union institutions," said the minister.

The AfCFTA was launched on 21 March 2018 in Kigali, Rwanda, by the heads of state and government of the African Union as a comprehensive trade agreement with strong economic developmental objectives for Africa.

Agoa is a unilateral US trade preference programme that provides duty-free quota-free treatment for over 6,400 tariff lines from 40 Agoa-eligible sub-Saharan African countries, including South Africa, into the United States market.

Patel said out of 1,835 tariff lines under Agoa, sub-Saharan Africa can only access the trade benefit using 748 tariff categories, or 40% of the total lines and called on the continent to address this.

“Indeed we only use 13% of the tariff lines under the bigger Generalised System of Preferences. We are here to discuss how to turn that around, to identify challenges and to take steps to increase utilisation of Agoa preferences as well as to deepen trade and investment relationships Africa and US.”

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