

Plan to accelerate African trade

The Board of the African Development Bank approved an institutional support grant of \$4.8 million to the African Union (AU) to accelerate the momentum of the African Continental Free Trade Area Agreement (AfCFTA), which received its 22nd ratification on 2 April, bringing the agreement into force.



Image source: Gallo/Getty.

AfCFTA is a major force for continental integration. It will expand intra-African trade by up to \$35 billion per year and usher in freedom of movement for goods, services and people across the continent's internal borders, with a regime of reduced tariffs and non-tariff barriers to cut the cost of doing business on the continent. It will also boost agriculture and industrial exports by up to \$66 billion per year.

The Bank's grant is targeted at laying the institutional foundations for the AfCFTA implementation secretariat and the roll out of the implementation programmes.

"The momentum is now in full swing", said Andoh Mensah, manager, trade and investment climate division at the African Development Bank, "It is now crucial to establish a robust, efficient, purpose-driven secretariat, capable of addressing improved stakeholder engagement, inclusiveness and ownership in the AfCFTA implementation".

The grant will also assist efforts towards full ratification of the agreement by all AU member states including the application of tariff reductions and related commitments, while generating stakeholder support for the AfCFTA to ensure inclusiveness

and common ownership. This is a decisive response to the call by African political leaders for the Bank and other partners to support the AU Commission and work assiduously towards the realisation of AfCFTA objectives.

For more, visit: <https://www.bizcommunity.com>