

: Programme

Potsdam Winter Dialogues 2020 (online) **Building Sustainability into** **African Free Trade**

14-15 December 2020

Conference languages

German/English (simultaneous interpretation)

Cooperating partners



german
cooperation

DEUTSCHE ZUSAMMENARBEIT

giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH



#Potsdam20

BACKGROUND

The coronavirus pandemic has had devastating economic and social impacts on the African continent. As a consequence, even more hopes are resting on the centrepiece of economic integration in Africa: the African Continental Free Trade Area (AfCFTA), which was officially launched in May 2019. Although action to implement the free trade area has stalled due to the crisis, African decision-makers and academics underline the urgency of the project and see the free trade area as the key to economic recovery and the creation of jobs for the younger generation.

Intra-African trade is underdeveloped at present: less than 20% of African exports currently remains on the continent, and individual countries' trade balance sheets are dominated by raw materials exports and agricultural commodities. The AfCFTA aims to change all that by creating much more of a level playing field, especially for small and medium-sized companies, and repositioning the African countries in an increasingly digitalised global economy. A further objective is to create a customs union and a single market with free movement of capital and people. This also means reconciling the interests of the stronger and the weaker economies and averting social conflicts that could potentially arise as a result of more intensive competition. It is also important to ensure that increased cross-border investment flows do not put local livelihoods at risk.

At this year's Potsdam Winter Dialogues, we will be discussing whether and how trade liberalisation in Africa can contribute to economic recovery and sustainable development. We will be inviting African and European experts from government, business, academia and civil society to join in the discussions at the two-day international conference, with a particular focus on the following:

Key questions

- How can the African Continental Free Trade Area help to strengthen recovery and build more economic resilience in Africa?
- What can be done to create a coherent African continental trade regime that benefits as many countries and communities as possible?
- Which specific policy measures and regulatory strategies can avert negative impacts, e.g. on employment and food security, in lower-income countries?
- How can international partners, meaning the EU first and foremost, facilitate and support these efforts?

: Monday, 14 December 2020

- 10.15 hrs Registration
- Chair
- Hanna Gersmann**
 Journalist, Berlin
- 10.30 hrs Welcome
- Dr Jutta Jahns-Böhm**
 State Secretary and Commissioner of
 Land Brandenburg to the Federation, Potsdam

SESSION I **OPENING SESSION**

The AfCFTA is viewed as a milestone for economic integration on the African continent. But what are the Agreement's objectives, and what is its guiding vision for social and economic development? How important is intra-African free trade in light of the experiences of the coronavirus pandemic? Will the AfCFTA make the African economies more independent and resilient? Which mechanisms are required to ensure its success, and what can be done to speed up progress?

- 10.40 hrs **Michael Krake**
 Director Private Sector, Trade, Employment, Digital Technologies
 Federal Ministry for Economic Cooperation and Development, Berlin
- 10.50 hrs Keynote: The African Continental Free Trade Agreement: Status and prospects
- Erastus Mwencha**
 Former Deputy Chair of the African Union Commission
 Chair of the Executive Board
 African Capacity Building Foundation, Harare
- Followed by Q&A
- 11.30 hrs Break

SESSION II**CROSS-BORDER TRADE IN AND WITH AFRICA: THE ECONOMIC OUTLOOK**

African continental trade is underdeveloped compared with other regions of the world. There are numerous reasons for this. For example, average customs duties on goods traded between African countries are much higher than those applicable in trade with Europe. The same applies to the length and complexity of customs clearance and to transport costs. As a result of the coronavirus crisis, the costs of transporting goods across borders have soared yet again. What is the practical impact of these barriers? Which specific reforms could improve the situation? And what hopes rest on the AfCFTA in this context?

11.45 hrs Practical session

Maria Auma Horne

Founder

BLI Global Capital, Kampala/New Hampshire

Lerato D. Mataboge

Deputy Director General

Export Development, Promotion and Outward Investments

Department of Trade, Industry and Competition, Pretoria

Samuel Mensah

Founder and CEO

KISUA.com, Johannesburg

Steven Pope

Vice President Go Trade

Deutsche Post DHL Group, Bonn

Followed by Plenary discussion

13.00 hrs Lunchbreak and Open Networking

SESSION III

TRADE LIBERALISATION AND SOCIAL DEVELOPMENT: A CONTRADICTION IN TERMS?

In many African countries, the economic and social impacts of the free trade agreement are controversial issues. Supporters of the free trade agreement claim that it will provide the key impetus needed to make African businesses more competitive and stimulate industrial development. It will, they say, create countless new jobs in larger regional production chains, particularly for young people. Critics argue that multinational companies will be the main beneficiaries and that too little is being done to achieve a solidarity-based reconciliation of interests between winners and losers in the individual societies and across sectors. How can a better balance be achieved between these opportunities and risks? How can societies that open up to trade ensure that liberalisation is fair and equitable?

14.00 hrs

Head-to-Head

Dr Onohoómhen Ebhohimhen

Head of Research Department

Nigerian Labour Congress, Abuja

Chairman of Equity Bank Kenya Ltd.

Hilma Mote

Senior Specialist in Workers Activities

International Labour Organisation, Geneva

Colette van der Ven

Founder and Director

TULIP Consulting, Geneva

Followed by

Plenary discussion

15.00 hrs

Break and Open Networking

SESSION IV

HOW CAN A REGIONAL BALANCE BE ACHIEVED BETWEEN STRONG AND WEAK ECONOMIES?

One of the particular challenges associated with trade liberalisation in Africa is the wide development gap between countries: annual per capita incomes range from less than 250 to more than 20,000 US dollars. In weak economies, custom duties are one of the most important sources of government revenue. What can be done to offset the loss of this revenue stream? Are transitional rules for countries with weaker economies enough? Is there a need for a regional compensation fund to support industrialisation and infrastructural development in lower-income countries? How can it be ensured that as many countries as possible benefit from free trade?

15.30 hrs

Roundtable Discussion

Professor Helmut Asche

Department of Anthropology and African Studies, University of Mainz

Member Advisory Council of the German-African Business Association

Trudi Hartzenberg

Executive Director

Trade Law Centre, Stellenbosch

Followed by

Plenary discussion

16.45 hrs

End of session IV

END OF DAY 1

From 16.45 hrs

Virtual Potsdam Tour

: Tuesday, 15 December 2020

Chair

Hanna Gersmann

Journalist, Berlin

SESSION V

HOW CAN THE FREE TRADE AREA HELP TO STRENGTHEN AFRICA'S POSITION IN THE GLOBAL ECONOMY?

The African Continental Free Trade Area is emerging at a time of upheaval in the global economy. China and the US are locked in a bitter struggle over market access and technologies. Companies and countries have initiated a paradigm shift in response to the pandemic and are keen to reduce their dependence on fragile supply chains. Meanwhile, digitalisation is progressing at an ever-faster rate. Against this backdrop, how can the free trade area help to strengthen Africa's position in the global economy? What can be done to reduce the dependence on raw materials exports? What guarantees are there that trade with third countries will meet the AfCFTA's standards and objectives? What must be done to adjust relations with global economic partners in line with the free trade area's objectives?

9.30 hrs

Lecture

Dr David Luke

Coordinator

African Trade Policy Centre

United Nations Economic Commission for Africa, Addis Ababa

Followed by

Plenary discussion

10:30 hrs

Break and Open Networking

SESSION VI

THE AFRICAN FREE TRADE AREA AND THE ROLE OF EXTERNAL PARTNERS

Administrative and technical mechanisms to support free trade increasingly feature in the development cooperation toolkit. What kind of policy measures can the EU and other international partners deploy to support the removal of trade barriers? How can European support, for example from the Commission and member states, be better dovetailed in line with the current *Team Europe* approach? How can it promote sustainable development in less industrialised countries as well? What can be done to ensure that international assistance also benefits small businesses and smallholder farmers? And finally, how can knowledge asymmetries be reduced and an independent African trade policy strengthened?

11.00 hrs

Roundtable Discussion

Stephan Bethe

Head of Trade Policy Unit

Federal Ministry for Economic Cooperation and Development, Berlin

Prudence Sebahizi

Head of AfCFTA Negotiations Support Unit & Chief Technical Advisor on the African Continental Free Trade Area (AfCFTA)

African Union Commission (AUC), Addis Ababa

Fabio di Stefano

Team Leader Panafrican Programme

Directorate-General for International Cooperation and Development

European Commission, Brussels

Sean Woolfrey

Policy Officer

European Centre for Development Policy Management, Maastricht

Followed by

Plenary discussion

12.30 hrs

Lunchbreak and Open Networking

SESSION VII

DIGITALISATION – A FUTURE MARKET: WHAT KIND OF RULES ARE NEEDED FOR E-COMMERCE IN AFRICA?

“Digitalisation could be to Africa what coal and steel have been to the European Union,” according to UNCTAD Deputy Secretary-General Isabelle Durant. And indeed, cross-border e-commerce has the potential to create opportunities, particularly for small and medium-sized businesses in Africa, to access new markets, not least because the pandemic has given a massive boost to online trade in many of the continent’s countries. However, there is also a risk that liberalisation would further increase African countries’ exposure to the corporate power of US and Chinese Internet giants. What kind of rules are needed here? And how can closer cooperation on e-commerce translate into more influence on global standard-setting (localisation, patents, customs moratorium)?

13.00 hrs

Interview

Jamie MacLeod

Trade Policy Fellow

United Nations Economic Commission for Africa, Addis Ababa

Followed by

Q&A

13.30 hrs

Break

SESSION VIII**FROM FREE TRADE TO A SINGLE MARKET: PROSPECTS FOR REGIONAL INTEGRATION IN AFRICA**

In the longer term, the African economic integration project goes far beyond the abolition of trade barriers. First, however, countries must agree on rules to implement the free trade agreement and make it a reality. Which obstacles need to be overcome in the next few years? What might a roadmap towards a single market look like? What is a suitable model, and which lessons learned in other integration projects should be considered?

13.45 hrs

Outlook

Dr Rob Davies

Former Minister of Trade and Industry
Republic of South Africa, Cape Town

Roundtable discussion

Dr Rob Davies**Memory Dube**

Regional Integration and Trade Policy Specialist
African Development Bank, Abidjan

Helmut Scholz MEP

European Parliament
Committee on International Trade, Brussels

Followed by

Plenary discussion

15.00 hrs

Outlook and closing remarks by the organisers