

The AfCFTA must be used in Africa's development agenda

The African Continental Free Trade Area (AfCFTA) must be seen as a pillar of the broader development integration agenda, said deputy minister of trade, industry and competition Fikile Majola.



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Integration is seen as essential to overcoming the limitations of small fragmented economies established under colonialism.

The deputy minister made these comments in his address to the Progressive Business Forum's (PBF) webinar on trade opportunities for South African businesses in Africa.

He said the AfCFTA brought the African continent a step closer to realising the historic vision of an integrated market and creating a basis for increasing intra-African trade.

"We must complement and consolidate parallel African Union work on infrastructure and industrial development pillars and build supply capacity to take advantage of more open African markets. We also need to take to heart that for sustainability and legitimacy to prevail, the benefits of the AfCFTA must be shared across all member states," he said.

He noted that countries across the continent are engaged in restoring their economies in the midst of the Covid-19 pandemic.

“One of the instructive lessons learned from this crisis is that economic resilience is critical. It is critical to build up industrial capabilities, trade and supply chains across African countries.

Greater supply-chain resilience needs to include efforts to spread risk by enabling the greater geographic spread of manufacturing. This resonates with bringing to fruition the goal of ‘Made in Africa’ initiative. We have to seize the opportunity presented by the AfCFTA, which is aimed at boosting intra-Africa trade,” said the deputy minister.

Single set of rules

Meanwhile, the secretary general of the AfCFTA, Wamkele Mene called for the acceleration of Africa’s industrial development without disconnecting from the rest of the continent.

He also called for single set of rules for trade and investment on the African continent.

“This AfCFTA agreement captures the future of the African economy, and we must strive for a focus on connecting small and medium enterprises to digital platforms to the extent that tariff liberalisation is properly sequenced and calibrated to active industrial development measures, the process can support wider economic development and growth,” said Mene.

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