





# Webinar

# Maximizing intra-African trade in the context of AfCFTA: the role of e-Commerce and the private sector

**Concept note** 

Date: December 11,2020

Time: 10 am to 12 am; Yaoundé time (GMT+1)

**Virtual Meeting** 







## 1. Background

The Agreement establishing the African Continental Free Trade Area (AfCFTA) entered into force on 30 May 2019. Once operational, the AfCFTA is expected to become the world's largest free trade area by the number of participating countries, representing a market of more than 1.2 billion people with a combined GDP exceeding US\$2.5 trillion. The establishment of the AfCFTA is expected to develop regional value chains, with significant increases in intra-Africa trade, and will constitute a significant milestone towards the implementation of United Nations Agenda 2030 ant the African Union Agenda 2063 for the socio-economic transformation of the African continent. "The AfCFTA covers trade in goods, trade in services, investment, intellectual property and competition policy. e-Commerce has been included in the AfCFTA through a decision of the African Union Heads of State and Government Assembly held in February 2020 and will be covered under the third phase of negotiations that should result in a specific Protocol on e-Commerce.

Another critical step for e-Commerce development at the continental level is the African Union Digital Transformation Strategy for Africa (2020-2030). the Strategy presents policy objectives related to e-Commerce, including; the creation of a continental digital single market aligned with the AfCFTA; the emergence of an enabling regulatory framework for e-Commerce at the continental level; the creation of a single African payments area; and solutions to challenges such as parcel delivery and payments. The implementation of the AfCFTA, coupled with the Digital Transformation Strategy for Africa (DTS), is expected to provide an immense opportunity for the African digital economy to develop and to boost intra-African trade. <sup>1</sup>

Digital trade, including e-Commerce, has the potential to open new opportunities; it can drive innovation, economic and social development, job creation in many key sectors of the economy, and maximize the intra- African trade. It is already creating new markets in Africa, and the private sector is playing a crucial role in the development of e-Commerce. Furthermore, the Covid-19 pandemic has heightened the importance of digital trade facilitation solutions both within and across African countries. Trade experts across the continent are calling for an accelerated negotiation on e-Commerce under the AfCFTA. The Governments have adopted or are adopting new trade facilitation measures, including paperless trade measures, to respond and mitigate some of the pandemic's challenges. The private sector has also increased e-Commerce, enabling services and technologies to ensure business continuity.

Nevertheless, the development of e-Commerce in Africa faces many obstacles including inadequate infrastructure and use which continues to perpetuate the digital divide; underdeveloped financial and payment systems; poor ICT literacy, in particular skills related to e-Commerce; low purchasing power and consumer confidence; and imperfect national legal

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<sup>&</sup>lt;sup>1</sup> TralacBlog Perspectives on Africa's trade and integration (June 2020), An Agenda for AfCFTA Protocl on e-Commerce







systems and policies.<sup>2</sup> Hence, a fundamental reforms in this regard will need to take place to ensure successful development and utilization of e-Commerce in Africa.

In the Central Africa subregion and ECCAS as a whole, despite the progress accessing to digitalization, Internet networks, as well as access to the broadband network remains very low. According to African Development Bank (AfDB)<sup>3</sup> in the Central Africa region, 49 in 100 inhabitants subscribes to mobile telephony, 46% of the population has access to the 3G mobile network, and 29% subscribes to the mobile broadband network. For ECCAS, 73 in 100 inhabitants has access to a mobile telephone and 26% of inhabitants to the active mobile broadband network, with regional coverage of 47% for 3G. Only 10% of ECCAS households have access to a computer and the Internet. Hence, the importance of speeding up digitalization cannot be overstated. In this context, the Central Africa region aims to enhance the digital economy and is working to bring together the region's endeavors towards digital transformation. Thus, the 35th Session of the Intergovernmental Committee of Senior Officials and Experts for Central Africa (ICE) held in September 23-27,2019 was convened under the theme on Digital Transformations and Economic Diversification in Central Africa: Issues, Challenges, and Opportunities. The significance of the private sector in enhancing digital transformation was highlighted. In fact, some of the key recommendations that were put forward were for the private sector to or continue their digital transformation in order to sustain and develop their activities and seize the immense opportunities offered by digital technologies to develop new products and services and to realize industrialization projects and benefit from the combined advantages of the digital economy and the AfCFTA.

There is no doubt that the e-Commerce and private sectors' role is crucial in boosting intra- Africa trade under the AfCFTA. However, it is important to understand the challenges and opportunities of e-Commerce to fully benefit from the prospects created in the context of AfCFTA for the ECCAs member states and the continent as a whole. It is in this in this context that the Economic Commission for Africa (ECA) in collaboration with the Economic Community of Central African States (ECCAS) is organizing a webinar on "Maximizing intra-African trade in the context of AfCFTA: the role of e-Commerce and the private sector".

#### 2. Objectives of the webinar

This webinar's overall objective is to provide a platform for private sectors to examine how e-Commerce and private sectors in the ECCAS Member States can play a pivotal role in enhancing the intra-Africa trade in the context of AfCFTA.

<sup>2</sup> United Nations Conference on Trade and Development (UNCTAD) (December 2018), Rapid e-Trade Readiness Assessment of Least Developed Countries.

African Development Bank Group (June 2019). Central Africa: Regional Integration Strategy Paper 2019-2025.







The specific objectives are to:

- Share current status of the AfCFTA as well as the implications for the continent digital trade Agenda, and implications for ECCAS member states
- Discuss how the e-Commerce market is growing, in the ECCAS Member countries in terms of market development, competition, growth potential, and the challenges
- Explore the role of the private sector in the development of e-Commerce and in advancing the intra-Africa trade in the context of AfCFTA.

#### 3. Expected results

The expected result of the webinar is to better inform the Central Africa's private sector on how AfCFTA through e-Commerce can offer a unique opportunity for each country to produce and sell on a very large scale.

#### 4. Participation

Participation to the webinar is open to:

- Representatives of national development bodies (investment authorities; national employment agencies)
- Private sector
- Public-Private bodies (chambers of commerce and industries; chambers of agriculture)

#### 5. Webinar set-up

- The webinar will be moderated by: Ms. Aissatou Diallo, Senior Portfolio Manager for West Africa and Indian Ocean Regions and, AfCFTA focal point, International Trade Center (ITC).
  - Opening remarks (10 min): (Mr. Antonio A. Pedro. Director, Sub-Regional Office for Central Africa, UNECA)
  - Speaker 1 (20 min): AfCFTA status and opportunities for the ECCAS countries (Mr. Malick Mamadou Bal, Economist, Sub-Regional Office for Central Africa, UNCEA)
  - Speaker 2 (20 min): e-Commerce challenges and opportunities for the ECCAS region in the context of AfCFTA (M. Giuseppe D Aronco, Economist, Sub-Regional Office for Central Africa, UNECA)
  - Speaker 3 (20 min): e-Commerce and trade in services (Ms. Angela Ndambuki, Regional Director Sub-Saharan Africa of IFPI)
  - Speaker 4 (20 min): Readiness of the private sector for e-Commerce: key challenges (Mr. David Mudilo, Expert in information technology for development, Co-founder of the e-commerce platform Wenze.cd et de Konnect consulting firm)







- o Discussions (30 min)
- Closing Remarks (10 min)
- Format for the webinar: Presentation followed by questions and answers
- **Duration:** 2 hours
- Platform: KUDO Platform, with interpretation French/English/Portuguese

## 6. Contact

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