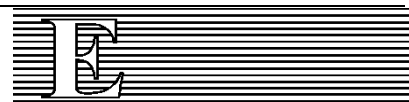




AFRICAN UNION COMMISSION



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FOR AFRICA



Second Joint Session of the Committee of Directors
General of National Statistics Offices and
the Statistical Commission for Africa:

Theme: *strengthening economic statistics to
support Agenda 2063 and the 2030 Agenda for
Sustainable Development*

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REPORT OF THE AFRICAN WORKING GROUP ON TRADE

Abidjan, 28 November – 2 December 2016

I. Introduction

1. The adoption of the Abuja Treaty in June 1991 in Abuja, Nigeria, notes the willingness of African leaders to accelerate the process of African integration with a view to fostering the socio-economic development of the continent. In order to achieve this objective, they have undertaken to liberalize trade by eliminating, between Member States, customs duties on imports and exports of goods and the abolition of barriers between Member States Non-tariff barriers for the creation of a free trade area at the level of each regional economic community.
2. The volume of intra-African trade is a major indicator of the African integration process. However, according to official statistics, the volume of intra-African trade accounts for less than 12% of the total value of Africa's external trade. These figures of intra-African trade do not include the value of informal foreign trade, which is very important in Africa.
3. With a view to encouraging intra-African trade with a view to achieving the objectives set out in the Abuja Treaty, the Heads of State and Government of the Union devoted two important summits in 2012 to the theme " promoting intra-African trade ". During these summits, African leaders made firm commitments to improve the quality of trade data in Africa by deciding to set up an observatory on trade in Africa.
4. This decision strengthens the decisions taken by the Heads of State and Government of the Union on the adoption of the African Charter for Statistics in January 2009 in Addis Ababa, Ethiopia, Harmonization of Statistics (SHaSA) in Africa in July 2010 in Kampala, Uganda, to enable Africa to have access to quality statistics in all areas of African integration including foreign trade in goods and services. To implement the SHaSA, the African Union Commission, in collaboration with the United Nations Economic Commission for Africa (ECA) and the African Development Bank (AfDB), has set up 14 technical groups Statistical areas, including a Working Party on External Trade and the Balance of Payments. This working group is headed for Rwanda while the African Union Commission provides the secretariat.
5. The purpose of this report is to report on the activities undertaken by the Working Party on External Trade and Balance of Payments during 2016. The main activities of the Working Group are structured around Following points:
 - Collection of foreign trade statistics
 - Training in the Foreign Trade Software: *Eurotrace*

II. Data Collection on External Trade in Africa

6. In order to assess the status of the production of external trade statistics in Africa, the Commission of the African Union undertook, in the year 2016, a collection of statistical data in the field of international trade.
7. The purpose of this collection is to obtain comparable data from African sources.

8. It concerns export, import and re-export data broken down by country, product and customs procedure.
9. This collection was based on a well-structured methodology. This collection is meant to provide Africa with a new statistical yearbook on intra-African trade data.
10. The next steps in this activity focus on finalizing the processing of the data collected for the publication of the statistical yearbook.

III. **Eurotrace software training**

11. The African Union Commission (AUC) and Eurostat (Expertise France) with EU funding organized a regional workshop from 6 to 17 September 2016 at the AUC Headquarters in Addis Ababa, Ethiopia.
12. The main objective of the workshop was to train Eurotrace trainers from different RECs. Trainers will pass on the knowledge and skills acquired to their Member States; They will help Member States migrate from the Eurotrace-Access database to the Eurotrace-SQL server database.
13. The workshop participants came from different RECs and selected Member States across Africa. The RECs included: COMESA, SADC, ECOWAS, ECCAS, CAE. The list of participating countries is as follows: Benin, Mali and Togo; Comoros, Ethiopia, Malawi, Swaziland and Zambia.
14. During the training, participants expressed their different concerns and difficulties in collecting and processing data on international trade. They can be summarized around the following points:
 - Difficulties in harmonizing trade data between RECs and Africa as a whole due to different Customs Procedure Codes (Codes);
 - Some RECs have difficulty compiling trade data due to lack of expertise;
 - Coverage of trade data is not exhaustive in most countries;
 - The calculation of commercial indices (TIM module) available in Eurotrace DOS is not compatible with Eurotrace ACCES and SQL modules. Therefore, it is necessary to improve the TIM-Modulw so that it is compatible with the current Eurotrace package.
15. At the end of the training, recommendations were made to the AUC and the RECs.

❖ For AUC :

- AUC should look for expertise e.g Eurostat to train RECs members;
- AU should engage Eurostat to finalise the development of Trade Indices Module;

- AUC should cooperate with EUROSTAT and The Eurotrace development team work on the bugs that currently exist in the Eurotrace Package;
- AUC should financially support RECs through PAS Programme in the training of their Member States;
- AUC will send a table with activities to RECs which will be commented upon and should be submitted to AUC within a specified time;
- AUC should engage a consultant to harmonize the CPC to tradetype within the Continent, and organise a validation meeting;
- There should be advocacy on the CPC harmonisation of trade data at higher level.

❖ For RECs:

- RECs should collect all CPCs from Member States that would be given to AUC who will engage a Consultant to work on them;
- RECs should exchange expertise in the training of their Member States;
- RECs should train their Members States on how to migrate to Eurotrace SQL System;
- RECs should encourage Member States to collect supplementary data using other sources apart customs data;
- All RECs have been requested to produce training plans and submit them to AUC by end of September 2016.

16. The next steps are: recruitment of consultants to carry out a study with the aim of achieving harmonization of foreign trade statistical data systems; The finalization of the development of the module on trade price indices.

IV. **Recommendations for the CoDGs meeting**

17. The Working Party on External Trade and the Balance of Payments proposes the following recommendations to the meeting of the DGs Committee:

- (i) *Requests the Commission of the African Union in collaboration with Eurostat, ECA, AfDB and other partners to finalize the following documents:*
 - International trade statistics Yearbook in Africa;
 - Harmonization of systems for collecting and processing statistical data on foreign trade
- (ii) *Requests the Commission of the African Union, in collaboration with EUROSTAT, ECA, AfDB and other partners, to continue the capacity building sessions on the Eurotrace software for statisticians in charge of external trade;*

- (iii) *Requests the Commission of the African Union, in collaboration with the United Nations Statistics Division, ECA, AfDB and other partners, to establish an African database on foreign trade, Example of COMTRADE; and*

- (iv) *Requests the African Union Commission in collaboration with the African Association of Central Banks, the United Nations Statistics Division, ECA, AfDB and other partners to work on the harmonization of Balance of payments in Africa.*