'SOJI AWOGBADE, THE AFROCHAMPIONS OPPOSE POSTPONEMENT OF AFCFTA TAKE OFF DATE



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The take-off date of the Africa Continental Free Trade Agreement ("AfCFTA") has been postponed. According to the Secretary General of the AfCFTA, the postponement is as a result of the disruptions caused by the effect of the Covid-19 pandemic.[1]

Before the announcement of the postponement, some stakeholders had counselled against it. In an interview with THISDAY newspapers which was published on 18 April 2020, Partner and head of ÆLEX Legal Practitioners and Arbitrators' International Trade Practice group, Mr. Soji Awogbade had opined that the commencement of operations under the AfCFTA which was scheduled for July 1 2020 should not be postponed even by one day despite the COVID-19 Pandemic.

Awogbade, who is a regular contributor to issues relating to African and international trade particularly the AfCFTA, took the view that the postponement of the take-off date will send a signal to stakeholders and the business community about the readiness of Africa to improve intra-African trade and continental integration.

In a similar vein, the Pan-African group known as the AfroChampions Initiative, who are the Technical Partner to the African Union on the AfCFTA, declared that the AfCFTA ought to be the rallying initiative to drive the post Pandemic economic recovery and the strengthening of African domestic, regional and continental value and supply chains.[2] The group goes further to state that the July 2020 date for start of AfCFTA trading should not be postponed even if the pandemic persists into July. In its view, if AfCFTA trading can take off in the middle of the fight against the pandemic, it will be a symbolic victory for Africa in the midst of the crisis. For negotiations to continue and to ensure trading commences in July as earlier scheduled, AfroChampions recommended that the AfCFTA secretariat should continue to recruit staff and should also operationalize a fully functional virtual office with newly recruited teams working virtually from their homes across the continent.[3]



[1] https://nairametrics.com/2020/04/30/take-off-of-africa-free-trade-zone-suffers-set-back/

[2] https://au.int/en/pressreleases/20200418/african-union-commission-afreximbank-afrochampions-and-uneca-joint-communique

[3] https://www.tralac.org/news/article/14522-will-covid-19-derail-afcfta-start-of-trading.html

In further support of his position, Awogbade pointed to the continued trading amongst regional economic communities in the continent like ECOWAS and COMESA as activities have not been disturbed and wonders why the AfCFTA take off should be treated differently.

In his words,

"the agreement should take off because there is no prescribed minimum quantity of trade that is required for it to commence. So, we will not wait till every participant is ready and every obstacle is removed. Otherwise, we will be prepared to wait forever and never start." [4]

He added that the significance of current take-off date is to enable the continent launch the structure for intra-African trade that would accommodate participants as they get on board and the volume of trade will grow to the benefit of the African economies. According to him, operations under the AfCFTA will accelerate the growth of trade within the continent. To illustrate his point, he stated that;

"Let us accelerate the growth of intra-African trade. We are not talking of the manufacturing of sophisticated products. We are talking about exporting maize to countries in Africa that can turn it into cornflakes rather than exporting raw maize to Kellogg and importing packaged flakes that will give Kellogg 98 percent of the entire trade transactions."

However, in a statement credited to the Secretary General of the AfCFTA Secretariat, Mr. Wankele Mene on 27 April 2020, it was announced that the implementation of the free trade agreement will not commence on July 1.[5] In his words;



"I think that's the responsible thing to do. I don't think it would be appropriate when people are dying to be focused on meeting the July 1st deadline. Instead, all governments should be allowed to concentrate their efforts on fighting the pandemic and saving lives at home."[6]

No new date has been announced for the commencement of operations under the agreement.

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