

Consultative Meeting on AfCFTA Held in Ethiopia

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At the end of the consultative meeting in Dakar from 24-25 June, 2019, I flew straight back to Addis Ababa on June 26, 2019, to participate at the 3rd UN ECA led consultative meeting on the Africa Continental Free Trade Area agreement. This time, the meeting was titled: Africa Regional Trade Forum 2019: Implementing the AfCFTA for a prosperous Africa, A Focus on the Pharmaceutical Industry. The two-day meeting was from 27-28 June, 2019.

On my return, Addis Ababa was calm but still tense. As I left Addis on 23rd June, 2019, for Dakar, the situation was more tense. Late 22nd there had been the announcement that there was a coup attempt in one of the states in the federation that Ethiopia is. The President of the Amhara Regional State, the Ethiopian Chief of Defense Staff and a number of senior officials had been killed. The Chief of Defense Staff and another General with him were at the unfortunate time were reportedly killed by the body guard of the Chief of Defense Staff ostensibly to prevent from rallying troops to counter developments at the Amhara Regional State.

I do not want to dwell on this coup attempt but I continue to wonder about the motivation. Of what use is the capture of a state in a federation like that of Ethiopia. True, Ethiopia has a federation that allows the withdrawal of a state from the union but such cannot be by way of a coup. It would involve agreed separation like that between Ethiopia and Eritrea or else, there would be the problem of recognition and the rest of the members of the Union including the Federal Government that expresses the will of the entire union cannot be expected to simply acquiesce. The Ethiopian coup attempt requires a detailed analysis by scholars on this sui generis type. As I left Addis Ababa, the situation was still tense with law enforcement and military officers all around and parking at the airport distorted. Limited access to the internet was restored on 27th June available to those with wi-fi package. People like myself and nationals with mobile data packages still lacked access. I wish Ethiopia speedy return to its status as the capital of Africa.

The AfCFTA meeting I attended in Addis Ababa had leaders from the private sector, including formidable young entrepreneurial women, some political leaders, international civil servants, and of course international men and women of ideas from variegated backgrounds.

The keynote address was given by Ali Mufuruki, Tanzanian and Chairman of Infotech Investment Group as well as Deputy Chairman of Afro Champions. Afro Champions is a group of leaders in the private sector who were assembled last year to ensure that Africans take advantage of the CFTA. This group came out of a realization that the African market is not controlled by Africans but remain structurally in the hands of interests that controlled it under colonialism.

Ali Mufuruki informed that the Pharmaceutical Industry must be seen as big business. He stated that \$80 million leaves Africa on a daily basis to buy pharmaceutical needs given the paucity of production in Africa. Egypt, followed by Kenya were said to be on top of the chain of the little production taking place in Africa. I was surprised that Nigeria, in spite of its population and wealth that is constantly being pilfered has not invested that much in producing medicines for its people not to talk of West Africa. I forgot to probe into why Nigeria is a laggard in my discussions with Mrs. Bridget Otote, former Chairperson, Pharmaceutical Association of Nigeria & Chief Executive Officer, Nolan Pharmacy and Allied Company who also attended the meeting.

The keynote speaker, among other things, further noted that Africa remains the only possibility for growth in the pharmaceutical industry as the other continents are already saturated. He suggested that CFTA has a

potential of over \$200 billion for Africa by way of meeting growing health needs. However, he was worried that African bureaucrats are limited in thoughts to plan for e.g, 2050. This deeply forward calculating deficit of dedicated technocrats is of concern. Ali Mufuruki, like myself, was worried that multinationals from outside of Africa are likely going to be the main beneficiaries of AfCFTA if serious efforts to prevent this are not undertaken. He suggested that the problem has to be addressed by ameliorating Africa's lack of infrastructures, battling dumping, removing all sorts of intra-Africa trade barriers, pulling Africa into larger markets for sustained research efforts that are Africa owned.

Ms. Mesenbet Shenkute, Ethiopian and President of the Addis Ababa Chamber of Commerce and Industry who had been President of a Bank led the discussion on women taking advantage of the CFTA. I was pleased with two African women entrepreneurs, Ms. Njoki Kariuki from Kenya and Ms. Patricia Mathivha, from South Africa and MD, Vida Pharmaceuticals (Pty) Ltd, South Africa, who shared views on how they are succeeding in business. Njoki is making money out of the production of sanitary pads for young women as Patricia is waxing strong in the pharmaceuticals industry. They did not think of themselves as less than men and were not seeking unequal skewed treatments in their favour especially on finance. They are competing like men do. Finding the banks not helpful, Njoki approached her family members and laid out her business plan and received support. This approach, she had learnt from Richard Bronson's writings.

No doubt, women face many cultural impediments. In many African countries, they are culturally and/or constitutionally prevented from owning land - a major means of collateral. But my position is that these archaic cultures must be nationally rebelled against and made a thing of the past. We must not overload the CFTA by making issues like this one of the problems for it to tackle. On a positive note, an ECA official spoke about a one billion dollar fund to help women entrepreneurs in improving and realizing a level playing field. This fund is almost ready to roll and I guess Ms. Ngone Diop of the ECA can help answer on further enquiries.

It is mute to continue to stress that Africans are not trading among themselves. The reasons are also obvious. The external orientation that former colonial powers had in place have been maintained. Forget that they tend to appear to want it otherwise. They actually benefit at the expense of Africa. Does this mean we should eternally hold former colonial powers responsible? My answer is a resounding no. We should wonder about what is wrong with the leadership that we have who have failed woefully to wean the continent from modern day structures of enslavement. The responsibility is ours. If a populous country like Nigeria produces less than 10% of what it consumes, and failing in areas where it has comparative advantage but would rather import, then Nigerians must face their clueless leaders who have only perfected stealing and not investing same as in some African countries, but keeping them outside in the vaults of other countries.

Low levels of production of what Africans need make the push for intra-Africa trade a dream until we wake up and push against external and internal interests hampering the move forward. AfCFTA will come to nought if it is not implemented as a development agenda for Africa. But the issue is whether the current leadership of Africa is able to move Africa forward. That 52 African countries have signed and 25 Parliaments have ratified is not enough. There must be clear national strategies by a different crop of development oriented leaders who are ready to differentiate the interests of Africa from those of the so called "development partners", who are happy to maintain neo-colonial arrangements that better their myopic interests.

Other issues like the necessity for peace and security were highlighted. After all, we were meeting in the horn where conflicts continue to rage. It was suggested that hope could be placed on diplomacy and such

efforts as the AU-UN led dream of collecting all small arms in Africa by 2020 which has been tagged as silencing the guns.

While I agree with ameliorating some of the non-tariff trade barriers, I would strongly suggest that, a lot more is required. Corruption has to be strongly countered. A corrupt Africa cannot implement rules of origin that takes care of the interest of Africa. An Africa that lacks the needed monitoring and sanctioning capacity cannot make the AfCFTA benefit Africa. In such a porous state state of affairs, multinationals will bring their products and stamp them as African products with the acquiescence of corrupt officials. And that is why I repeat my call on UN ECA to schedule a meeting on addressing the challenges of corruption to AfCFTA.

That Nigeria has not signed the agreement is a sign of weakness in spite of whatever the President may be saying. Nigeria should not be leading from behind. It should boldly be inside and seek to rectify the problems. As the Liberians say: "cucujumuku", you are not inside you don't know. To offer the Nigerian Labour and the Manufacturers Association of Nigeria as the reason why the President, at the last minute aborted the trip to sign a document that Nigeria had been at the forefront of negotiating is weak. Stronger interests than those of the nation must have stopped the President at the last minute. He already sent an advance team to the place of signing - Kigali, and he halted his visit. We as Nigerians, from experience, know that the current President hardly borhers about the cries of Nigerians. With an AfCFTA assessment report in hand, one hopes that the President of Nigeria will no longer continue to be shaking on signing. He must boldly hold the bull by the horns and join other leaders to ensure that AfCFTA benefits Africa.