DECISION ON THE AFRICAN CONTINENTAL FREE TRADE AREA Doc. Assembly/AU/4(XXXII)

The Assembly,

- **1. TAKES NOTE WITH APPRECIATION** of the Report of H.E. Mr. Issoufou Mahamadou, President of the Republic of Niger, the Leader of the African Continental Free Trade Area (AfCFTA), and the recommendations therein on the progress achieved on the establishment of the AfCFTA;
- 2. **RECALLS** Decision Assembly/AU/Dec.647(XXIX), adopted at the 29th Ordinary Session of the Assembly held in Addis Ababa, Ethiopia, in July 2017, which approved the modalities for trade in services negotiations, as well as, modalities for tariff negotiations with a level of ambition of 90%, in line with the adopted Modalities, and urged the Ministers of Trade to conclude negotiations on Sensitive Products and Exclusion Lists;
- **3. ENDORSES** the recommendations of African Union Ministers of Trade on:
 - i) the Template on Tariff Liberalization to be used by Member States in preparing the AfCFTA Schedules of Tariff Concessions; and
 - ii) the designation of Sensitive Products and Exclusion List, on the basis of the following criteria: food security, national security, fiscal revenue, livelihood and industrialization.
- 4. AGREES that the percentage for Sensitive Products will be 7% of total tariff lines and the Exclusion List will not exceed 3% of the total tariff lines and FURTHER AGREES that the application of these percentages will be subjected to double qualification and anti-concentration clauses, where the excluded products shall not exceed 10% of total import value from other State Parties. Thus, products to be excluded from liberalization will represent no more than 3% of tariff lines, accounting for no more than 10% of the value of imports from other African countries;
- 5. ENDORSES the recommendations of African Union Ministers of Trade, that a transitional period of 5 years or less, be used for countries which require this flexibility before the start of liberalization of Sensitive Products, thereby allowing for tariffs applicable to sensitive products to be maintained, provided that tariffs are eliminated by the end of the phase-down period outlined under the adopted modalities (10 years for developing countries and 13 for the least developed countries);
- 6. **ADOPTS** the Guidelines for Development of Schedules of Specific Commitments and Regulatory Cooperation Framework for Trade in Services and the new

Roadmap for finalization of AfCFTA Negotiations with a new deadline of June 2020;

- 7. **RECALLS** Decision Assembly/AU/Dec.692(XXXI), adopted at the 31st Ordinary Session, held in Nouakchott, Mauritania, in July 2018, to engage external partners as one block speaking with one voice, and **DECIDES** that Member States wishing to enter into partnerships with Third Parties should inform the Assembly with assurance that those efforts will not undermine the African Union Vision of creating one African Market;
- 8. **REQUESTS** the Commission, in collaboration with technical partners, to undertake an assessment of the requirements and challenges for the establishment of a future common market, including their implications, for consideration by the African Union Ministers of Trade;
- **9. DECIDES** to hold an Extra-Ordinary Summit in July 2019, a day before the First Mid-Year Coordination Meeting of the African Union and the RECs, in Niamey, Niger, in order to celebrate the first Anniversary of the Signing of the AfCFTA, launch the operational phase of the African Internal Market and decide on the location and structure of the AfCFTA Secretariat;
- **10. COMMENDS** the African Union Ministers of Trade (AMOT), the Senior Trade Officials, the Chief Negotiators, the Technical Working Groups (TWG), the Continental Task Force and the Commission for their efforts to conclude outstanding issues on the AfCFTA Negotiations;
- 11. WELCOMES the signatures of the AfCFTA and its Protocols by fifty two (52) countries, namely Algeria, Angola, Botswana, Burkina Faso, Burundi, Cabo Verde, Cameroon, Central African Republic, Chad, Comoros, Congo, Cote d'Ivoire, Democratic Republic of Congo, Djibouti, Egypt, Equatorial Guinea, Eswatini, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Rwanda, Saharawi Arab Democratic Republic, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, South Sudan, Sudan, Tanzania, Togo, Tunisia, Uganda, Zambia, Zimbabwe, and STRONGLY URGES other Member States who have not done so to sign the Agreement establishing the AfCFTA before the first anniversary;
- 12. FURTHER WELCOMES the deposit of instruments of ratification of the AfCFTA and its Protocols by fifteen (15) countries, namely *Chad, Cote d'Ivoire, Congo, Djibouti, Eswatini, Ghana, Guinea, Kenya, Mali, Mauritania, Namibia, Niger, Rwanda, South Africa, Uganda,* and EQUALLY URGES other countries to ratify it, as soon as possible, before the first anniversary;
- **13. REQUESTS** the African Union Ministers of Trade to:

- submit the Schedules of Tariff Concessions and Schedules of Specific Commitments on Trade in Services, in line with agreed modalities, to the 12th Extraordinary Session of the Assembly in July 2019 and the 33rd Ordinary Session of the Assembly in February 2020, respectively, for adoption; and
- conclude the negotiations on the Protocols on Investment, Competition Policy and Intellectual Property Rights, Trade in Services on the other seven (7) sectors beyond the five (5) priority service sectors, and submit the draft legal texts to the January 2021 Session of the Assembly for adoption, through the Specialised Technical Committee on Justice and Legal Affairs.
- **14. REQUESTS** the AfCFTA Leader, H.E. Mr. Issoufou Mahamadou, President of the Republic of Niger, to submit a progress report on the AfCFTA, to the12th Extraordinary Session of the Assembly in July 2019.