



Webinar

Arab Maghreb Union (AMU) regional strategy for the implementation of the AfCFTA

Monday 9 December 2024, from 10:00 to 12:00 Rabat time

Connection link:

Concept Note

Context

The African Continental Free Trade Area (AfCFTA), of which the Agreement was signed by the Heads of State of the African Union (AU) in a meeting on 20 and 21 March 2018 in Kigali, Rwanda, seeks to lower tariff and non-tariff barriers and harmonize trade rules between the signatory countries, thereby substantially reducing transaction costs in the flow of goods and services. This will foster regional integration through the development of trade activities on the continent.

The AfCFTA is the largest free trade area in the world. It brings together the different countries of the AU accompanied by eight (8) Regional Economic Communities (RECs). The project aims to create a single continental market with a population of approximately 1.3 billion inhabitants and a combined GDP of approximately 3.4 trillion US dollars. The AfCFTA is one of the flagship projects of Agenda 2063: The Africa We Want, the long-term development strategy of the African Union aimed at transforming the continent into a global power.

The Arab Maghreb Union (AMU) is one of the eight RECs recognized by the African Union Commission as “building blocks” of the AfCFTA¹. Therefore, the AfCFTA Agreement does not intend to replace existing RECs but to explicitly recognize RECs as constituent elements of the AfCFTA. The divergences and heterogeneity of national strategies within a REC strengthen the case for sub-regional strategies for the coordination and the implementation of the Agreement.

The Maghreb sub-regional strategy aims to:

- Coordinate the alignment of national strategies and ensure coordinated, integrated and coherent implementation;
- Preserve the geographical and development advantages of the sub-region within the framework of integration plans;
- Support member countries in resolving common obstacles encountered in the implementation of the Agreement;
- Provide a mechanism for resolving divergences between national integration strategies within the REC and enable the search for consensus on common objectives; and
- Improve awareness among citizens, economic actors at the sub-regional level and improve the visibility of integration in member countries.

By bringing together common priorities, this strategic framework ensures greater efficiency for the sub-region as a bloc, particularly on issues of infrastructure development, trade facilitation initiatives, value chain integration, etc. indeed, the harmonization of national specificities would create a synergy allowing joint initiatives to serve the community's interest in positioning itself

¹ As of the date of writing, Libya is the only AMU country that has not yet ratified the Agreement. This situation is linked to the internal dynamics of the country.



as an African regional hub, particularly towards the European Union and the Gulf countries while also strengthening the sub-region's value chains.

The existing national strategies (Algeria, Tunisia, Mauritania) and the one currently being finalized (Morocco) provide a foundation for the UMA General Secretariat to identify areas for harmonization at the Maghreb level.

Indeed, the Maghreb economic area remains highly fragmented, despite the long-standing integration project, the similarity of development challenges and the existence of most of the structuring parameters of a successful regional market (population, income per capita, infrastructure, geographical continuity, cultural links). The Maghreb market remains one of the least integrated on the Continent and in the World, with intra-regional trade around 3% of total imports of the Member States. The AMU Free Trade Agreement, signed in Tunis (Tunisia) in 1994, has not been ratified by any Member State. The last ratification of an AMU agreement took place in the 1990s.

The existence of a few trade agreements - bilateral or concluded within the framework of other regional initiatives (Agadir Agreement, Great Arab Free Trade Agreement) - has not produced results at the expected level, due in particular to the persistence of tariff and non-tariff barriers between States and, in some cases, business environments that are not conducive to investment.

The Agadir Agreement in particular, which had among other purposes to promote a sharing of production by accumulation of values between the States parties to better benefit from preferential access to the European market, has not substantially modified trade between the two signatory Maghreb countries, Morocco and Tunisia, nor the share of the countries concerned on the world market of manufactured products.

In terms of mobility of factors and free movement of people in particular, the achievements remain limited and reversible, due to the persistence of political disputes between certain States and the resurgence of insecurity initiated since 2011 throughout the Sahel-Saharan zone.

Thus, a sub-regional approach to AfCFTA integration will complement countries' existing efforts towards greater harmonization of national institutional and policy frameworks, provide collective momentum to complete Maghreb integration procedures, and thus support the acceleration of the AfCFTA objectives.

In addition, enhanced African integration could mitigate the potential impact of rising global trade tensions. Should protectionism in traditional markets in Europe, the Americas, or Asia intensify, Maghreb countries could offset some of their export and growth losses through additional African trade. Openness to continental trade and investment would increase access to goods and services at competitive prices, stimulate competition, promote innovation and diversification, increase transparency, reduce rents and, ultimately, increase productivity and growth.

Therefore, the implementation of the AfCFTA will be key to achieving the objectives, in terms of attracting new investments and attaining other milestones in the product value chain, in the Maghreb region.



Objective

The overall objective of the webinar is to contribute to the promotion of African continental integration and to a better positioning of Maghreb economies in the process of building the single market.

The specific objective is to validate the AMU regional strategy for the implementation of the AfCFTA.

Event format: Webinar Link:

Date & Time: The event will take place on December 9, from 10:00 to 12:00 Rabat time (GMT+1)

Languages: The meeting language is Arabic, English and French. Interpretation available in all 3 languages (English, French and Arabic)

Contact: Mr. Aziz Jaid, Economist, UNECA Office for North Africa.

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Agenda

Monday 9 December 2024	
Moderator: Aziz Jaid, Economist, UNECA office for North Africa	
10h00 – 10h30	Opening Remarks <ul style="list-style-type: none"> Mr. Adam El Hiraika, Director of UNECA Office for North Africa Mr. Tarak Ben Salem, Secretary General of the Arab Maghreb Union
10h30 – 11h00	Presentation of the AMU regional strategy for the implementation of the AfCFTA <ul style="list-style-type: none"> Mr. Zahreddine Belbachir, Economic Affairs Expert, Arab Maghreb Union Mr. Aziz Jaid, Economist, UNECA office for North Africa
11h00 – 11h30	Comments and reactions from the AMU member states
11h30 – 11h50	Open comments and reactions from the general audience
11h50 – 12h00	Closing remarks <ul style="list-style-type: none"> Mr. Adam El Hiraika, Director of UNECA Office for North Africa Mr. Tarak Ben Salem, Secretary General of the Arab Maghreb Union