



SECOND ICAO MEETING ON AIR CARGO DEVELOPMENT IN AFRICA

Session 2: African Continental Approach and Challenges

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INTRODUCTION



- ▶ It is an honour for AFRAA to participate at this conference, & to moderate the Panel on “**African Continental Approach and Challenges**”
- ▶ It is great to be in Ethiopia, a country of great people and in Addis Ababa, which has one of the largest air cargo hubs in Africa and home to the largest and most profitable airline on the continent
- ▶ A well-developed air cargo industry can significantly increase trade and development
- ▶ It is incumbent on us the leaders to provide the vision for the growth and development of trade & adoption of the latest ICT technologies to benefit all.

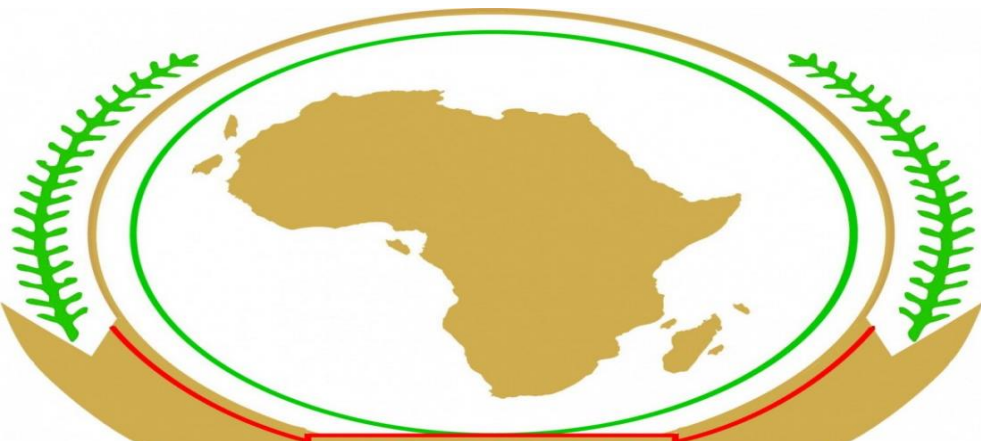




CONTINENTAL FREE TRADE AREA (CFTA) BY 2017



- ▶ African HOS at the AU Summit in January 2012 endorsed a plan to set up a Continental Free Trade Area (CFTA) by 2017
- ▶ The CFTA would be a key component of the AU's strategy to boost trade in Africa by at least 25–30% in the next decade
- ▶ Intra-African trade currently stands at 12–15% of total trade, compared to 60 % for Europe, 40% for N. America, and 30% for ASEAN, according to the WTO
- ▶ The AU is of the view that enhancing trade can contribute significantly to sustainable economic growth
- ▶ This ties neatly into the thrust towards a Single African Aviation Market as air transport is a critical facilitator to the movement of people and goods in our vast continent.





BALI AGREEMENT ON TRADE FACILITATION



- ▶ WTO members concluded negotiations at the Dec 2013 Bali Ministerial Conference on the landmark Trade Facilitation Agreement (TFA)
- ▶ The Bali Agreement on Trade Facilitation came into Force on 22 February 2017 after obtaining the two-thirds acceptance from its 164 members
- ▶ Agreement seeks to expedite the movement, release and clearance of goods across borders, and boosts e-commerce and the multilateral trading system as a whole



BALI AGREEMENT ON TRADE FACILITATION (contd)

- ▶ Full implementation of TFA is forecast to slash members' trade costs by about 14.3%, reduce the time to import goods by over a day and a half and to export goods by almost two days, representing a reduction of 47% and 91% respectively over the current average
- ▶ Implementing the TFA is also expected to help new firms export for the first time
- ▶ With fully implemented TFA, developing countries are predicted to increase the number of new products exported by as much as 20%, LDCs by up to 35%, according to the WTO





THE e-TRADE FOR ALL INITIATIVE



- ▶ **"eTrade for All"** by the UNCTAD is a multi-stakeholder initiative to improve the ability of developing countries to use and benefit from e-commerce
- ▶ The program brings international organizations, donors, and businesses under one umbrella, easing developing States access to cutting-edge technical assistance
- ▶ Over 70% of people in developed States shop online while in some developing countries this is estimated at less than 2%, according to WTO
- ▶ **The eTrade for All Initiative** is founded on the premise that greater awareness of e-commerce will create opportunities for SMEs to grow, become more productive and participate in global value chains





SINGLE WINDOW FOR FOREIGN TRADE

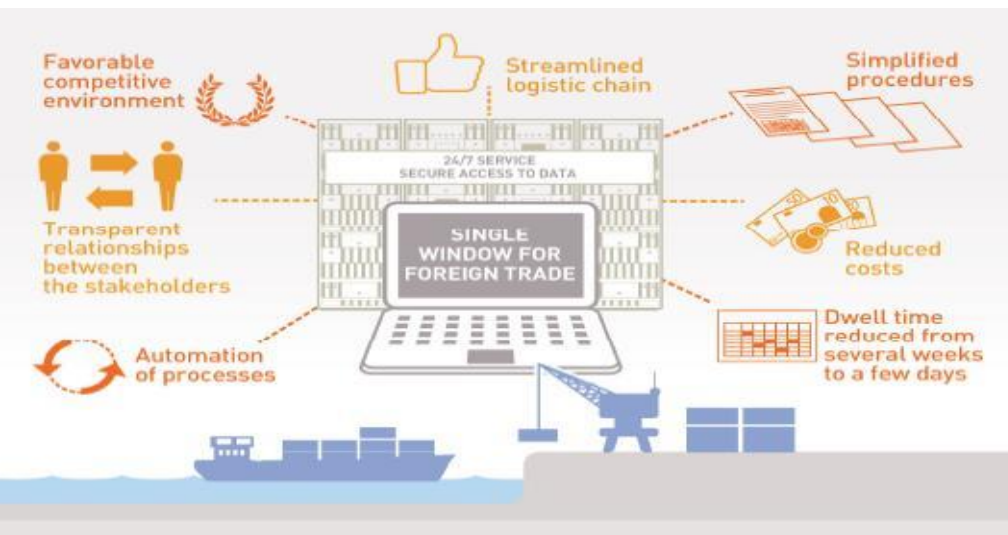


- ▶ This is a national or regional facility built around an IT platform, initiated by a Government to facilitate import, export and transit formalities, by offering a single point for the submission of standardized information and documents, in order to meet all official demands and facilitate logistics
- ▶ This is mainly used by States to facilitate borders by a better management of physical flow, information flow and financial flow related to cross border commercial transactions



SINGLE WINDOW FOR FOREIGN TRADE (contd)

- ▶ Almost all the international organization involved in trade facilitation are recommending the implementation and maintenance of Single Window
- ▶ Several countries successfully implemented that tool concerning conventional supply chain e.g. Singapore, China, S-Korea, Senegal, Cameroon, Mauritius and Morocco
- ▶ The ultimate national single window includes all of the information exchanged by traders; Government departments, maritime, air, road, rail and inland waterway; port and terminal operators; freight forwarders, customs brokers, shipping agents, banks and insurance companies.





PANEL DISCUSSION



To help me navigate this fascinating subject is a Panel of highly experienced and knowledgeable executives. These are:

- ▶ Mr. Fitsum Abady, Managing Director, Ethiopian Cargo Services
- ▶ Mr. Treasure Thembisile Maphanga, Director for Trade, Department of Trade and Industry, AU
- ▶ Mr. Wojciech Soltysiak, Chief Technology & Innovation Officer, CHAMP Cargosystems
- ▶ Mr. Tefera Mekonnen, Director of Air Transport, AFCAC
- ▶ Mr. Bassil Eid, Director of Region Africa and Middle East, FIATA

