

CONCEPT NOTE

SME CONFERENCE & TRAINING WORKSHOP

***BREAKING BUSINESS BARRIERS FOR AfCFTA ACCELERATION***

**1.0 INTRODUCTION**

The African Continental Free Trade Area (AfCFTA) Agreement was adopted and signed by 54 member states of the African Union on 18 March 2018 and entered into force for the 24 countries that had deposited their instruments of ratification by 30 May 2019. The objective of the Agreement is to establish a single African market for 1.3b people in a US$3.4 trillion economic bloc. The AfCFTA is expected to: a) provide an enabling environment for private sector development and competitiveness; b) offer businesses new opportunities to scale up; c) create jobs; d) boost intra-African trade by 52% by 2025; e) diversify and grow national economies through inclusive markets; and f) promote sustainable continental development.

As contribution to the anticipated objectives, the Centre for Regional Integration in Africa (CRIA) and the African Capacity Building Foundation (ACBF), in collaboration with the Ghana Institute of Management and Public Administration (GIMPA), are organising the 2023 Regional Integration Issues Forum (RIIF) as a conference for African SMEs under the theme: “Breaking Business Barriers for AfCFTA Acceleration".

**2.0 KEY CHALLENGES OF AfCFTA IMPLEMENTATION**

Intra-African trade is woefully low at 17%, as compared to other regions: intra-continental trade is 70% in Europe; 60% in Asia; and 50% in North America. A persisting challenge facing African economic integration and development is the culture of slow carrying capacity, intensified by a lack of inclusivity and engagement of the continent’s micro, small and medium scale enterprises (MSMEs), many of them led by youth and women.

Key among the reasons for limited private sector engagement in intra-African trade is lack of awareness of the AfCFTA. This challenge is further compounded by: a) lack of strategic capacity; b) limited private sector participation in industrialisation processes and value chains; c) inadequate research and development and exchange of information; d) inability to access other markets; e) inadequate trade policies and regulatory frameworks; and f) limited movement of goods, services, capital, people, and ideas, among other issues. Despite these challenges and those brought on by the global COVID pandemic and geo-economic crisis, opportunities are emerging largely due to the necessity for economic recovery through collective continental reliance. The AU was, therefore, compelled to adopt the theme for 2023 as the year for Accelerating AfCFTA Implementation.

**3.0 ADDRESSING AfCFTA IMPLEMENTATION GAPS**

The Centre for Regional Integration in Africa (CRIA) contends that without well-informed and capacitated private sector actors, intra-African trade will remain at low levels. However, the AfCFTA offers opportunities for mobilisation of resources and stakeholders; capacity development; scaling-up of businesses; inclusive intra-African trade; job-creation; expanded national economies; a sustainable continental market and ecosystem that effectively meet the needs of the African people.

For ACBF, the capacity of the private sector and its good knowledge of the AfCFTA are critical for the operationalisation of the agreement as the private sector remains the producers, and the key driver of the AfCFTA. The Agreement offers various benefits to the private sector, including enhanced competition, promotion of innovation, development of value chains, development, and export diversification, opportunities to manufacture goods, continental market access, and smooth conduct of business through tariff liberalisation and harmonisation.

**3.1 ABOUT THE REGIONAL INTEGRATION ISSUES FORUM (RIIF)**

The Regional Integration Issues Forum (RIIF), established in partnership between CRIA and ACBF, is a sensitisation mechanism and interface platform between stakeholders of regional integration and continental trade processes. The initial 2017 RIIF focused on “*Bringing West African Integration Home for National Development.*” The multisector dialogue successfully raised awareness and deepened an understanding that ECOWAS is not intended to be an integration of states, but of multisectoral stakeholders who must work to domesticate the regional agenda for national economic development to materialise. In 2018, African diplomats participated in the RIIF, which was convened in partnership with Ghana’s Ministry of Foreign Affairs & Regional Integration (MFARI). By highlighting “*The Diplomatic Service as a Tool for Promoting African Regional Integration and National Development*”, the RIIF raised awareness of regional integration as the framework for successes in economic diplomacy for national development. In 2019 and two months after the AfCFTA came into force, a RIIF sensitisation forum was convened for multisector stakeholders, in partnership with ACBF and MFARI, under the theme “Enhancing National Capacity for Continental Trade”. Multisectoral participants expressed undeniable eagerness for access to training and other interventions that can lead to effective multisectoral engagements in AfCFTA implementation processes. Recommendations were proffered and channeled to relevant sectoral institutions, agencies, and organisations. The RIIF project promotes awareness, builds knowledge, generates consensus on recommendations, and builds capacity for regional integration and continental trade.

**3.2 RIIF 2023: CONFERENCE & TRAINING TO INCREASE SME ENGAGEMENT IN INTRA-AFRICAN CROSS-BORDER TRADE**

In support of the African Union’s 2023 theme, CRIA and ACBF propose to convene the first set in a series of regional SME sensitisation conferences and accompanying training workshops that build the capacity of business leaders in West, East, and Southern Africa. The conference and training sessions will enable private sector operators to understand the AfCFTA and the requirements for gaining access to intra-African cross border trade. The first phase of the programme of action will begin in West Africa primarily because the West African Monetary Zone (WAMZ) is the area in which the Pan African Payment Settlement System (PAPSS) has been piloted to test and ensure financial ease of transacting business across African borders and markets.

The 2-day Conference focuses on the theme *“****Breaking Business Barriers for AfCFTA Acceleration****”* and will explore strategies and concrete actions to overcome trade barriers and increase African market access for SMEs*.* The first day will bring together about 150 participants to discuss various aspects of SME access to African markets through the AfCFTA framework. Day two is designed as a training workshop for 60 selected West African SMEs in the AfCFTA priority sectors of trade in goods and trade in services.

The specific objectives of the 2-day event include:

1. Raising awareness of the AfCFTA strategy for private sector engagement;
2. Deepening capacity of SMEs to understand how to leverage opportunities offered by the AfCFTA; and
3. Preparing African SME leaders to expand their businesses through regional value chains.

**3.2.1 OBJECTIVES OF THE CONFERENCE & TRAINING SESSIONS**

The specific objectives of the 2-day event include:

1. Raising awareness of the AfCFTA strategy for private sector engagement;
2. Deepening capacity of SMEs to understand how to leverage opportunities offered by the AfCFTA; and
3. Preparing African SME leaders to expand their businesses through regional value chains.

**3.2.2 CONFERENCE PROGRAMME** (Please see attached programme)

**3.2.3 PARTICIPANTS & BENEFICIARIES**

Conference is open to 150 participants drawn from business owners of SMEs, private sector executives, international/African trade experts, AfCFTA Secretariat, regional business councils, academia, research institutions/think tanks, development institutions, financial institutions, African thought leaders and business influencers, news/business media. The conference and training workshop will benefit African business leaders and stakeholder participants from a platform that raises awareness, builds capacity, offers practical exposure to doing business across borders the AfCFTA way, provides an exchange of experiences/ideas, and facilitates building of strategic relationships which lead to increased access to cross border intra-African trade.

Training Workshop participants will be pre-selected from registering African SME leaders who are willing to participate and are engaged in sector work corresponding to one of the key AfCFTA priority areas in goods and services. Workshop participants will be entreated to site visits to a Ghanaian company already engaged in the AfCFTA process. Experience sharing by host company and participants should: a) provide workshop participants with invaluable insights into challenges that may be avoided; as well as b) deepen perspectives on intra-African trade benefits of engagement in the AfCFTA. Company visitation will enable participants explore partnerships and possibilities for developing and strengthening regional value chains.

**3.2.4 CONFERENCE CO-OGANISERS AND SPONSORS**

The SME Conference is being convened as a platform of the *Regional Integration Issues Forum (RIIF)* established in 2017 by the Centre for Regional Integration in Africa (CRIA) in partnership with the African Capacity Building Foundation (ACBF); and in collaboration with the *GIMPA@Africa* Program of the Ghana Institute of Management and Public Administration (GIMPA). The event is also supported by Afreximbank.

**3.2.5 VENUE, DATE AND FORMAT**

The conference and training workshop will take place over the course of 2 days, from 27 to 28 September 2023 in Accra, Ghana. As a hybrid event, Movenpick Hotel will accommodate about 150 participants interacting both in-person and virtually. The event will include a keynote speech, interactive panel discussions, breakout sessions, networking segments, training sessions, and company site visits.

**3.2.6 EXPECTED RESULTS**

Expected results include the following outcomes:

* Enhanced awareness among increased number of SMEs connected to information about engaging in intra-African trade;
* Improved flow of AfCFTA information by channeling knowledge products and strategies through local and regional SMEs;
* Increased input from SME leaders on strategies to reduce real and perceived business barriers to cross-border trade;
* Increased number of SME leaders (youth and women included) with actionable knowledge, confidence to control strategic choices, and capacity to gain access to intra-African cross-border trade; and
* Expanded regional value chain opportunities through SME partnerships and pairings.

**4.0 CONCLUSION**

AfCFTA implementation is an ambitious continental project with an objective of addressing insurmountable development challenges. Despite the many moving parts in the intra-African trade machinery, multisector stakeholders are beginning to invest their energy in finding innovative ways to mobilise local, regional and continental resources and ideas for developing the Africa we want. With a focus on inclusive private sector engagement, as a strategic component of sustainable economic development, there is renewed commitment to regional integration and continental trade. However, much needed investment in awareness raising and capacity building is required. The novelty of combining the 2023 RIIF SME Sensitisation Conference on Intra-African Trade with an accompanying Training Workshop for SME Engagement in the AfCFTA, rests in partnering with a pan-African network of SMES and the purposeful pairing of regional SMEs to develop regional value chains that boost intra-African cross-border trade.

**5.0 CONTACTS**

Questions relating to the organisation of the event can be sent to the following contacts:

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