TECHNICAL ASSISTANCE FACILITY TO THE AFRICAN UNION:

Supporting the economic integration of the continent

PROJECT CONTEXT

The African continent: a challenging space to integrate

Integration is a particularly steep challenge for a heterogeneous continent like Africa. Yet, it remains an essential endeavour to engage with other integrated economic powerhouses dominating international trade. Emerging countries should stand ready to develop integration strategies and effective tools and implement common trade policy instruments, such as the African Continental Free Trade Area (AfCFTA). The challenge has become all the more important with the **development of the digital economy, especially e-commerce, for which Africa lags behind other continents**.

A strategic dialogue between the AU and France

The AU and France have engaged in a strategic dialogue since the signing of a declaration of intent on June 8th 2018. In order to substantiate this dialogue and to enshrine it in the long term, a **funding of 1.5 million euros has been granted by the French Development Agency to Expertise France in the form of a 24-month technical assistance and capacity-building Facility.** The latter will support the AU on issues within its area of expertise, in line with the **priorities set by the Agenda 2063 for the transformation of Africa into a world power**.







With the technical support of



Implemented by



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MAIN OBJECTIVE OF THE FACILITY

The overall objective of the project is **to support the AU's efforts to become a key player in promoting economic integration at the continental level** by providing:

Technical support to support the implementation of the AfCFTA

► Support dedicated to the implementation of priorities in terms of digital transition, especially regarding the development and governance of the e-commerce sector

IMPLEMENTATION STRATEGIES

The Facility will promote **strategic thinking and common positions among AU Member States** by conducting studies, capacity building and awareness raising activities. This will be achieved through the mobilisation of French and international specialists from academia, sectoral ministries, agencies or public companies and from international organisations.

As part of the implementation of the AfCFTA, the project will aim to:



support the finalisation of the current negotiations in the framework of phase I (products' rules of origin, among others) to facilitate the implementation of the free trade agreement



study the establishment of redistribution mechanisms to anticipate the effects of tariff dismantling on Member States and promote fair economic integration within the area



support the implementation of the action plan of the Trade and Industry Department aimed at promoting the development of SMEs within the AfCFTA



contribute to defining a sectoral strategy for the African Union for the development of e-commerce in Africa

Regarding the digital transition challenges for the continent, the facility will aim to:



support the financial data collection on the e-commerce sector to better understand the fiscal potential for AU Member States



strengthen the integration of all Member States within the ongoing multilateral discussion on the taxation of digital actors led by the OECD



study and enhance existing initiatives to digitise African postal services serving as logistic bases for e-commerce