

AFRICAN UNION



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**AU CONFERENCE OF MINISTERS OF TRADE,
CUSTOMS AND IMMIGRATION
2nd ORDINARY SESSION
27 - 28 MAY 2004
KIGALI, RWANDA**

AU/TD/MIN/Rpt.(II)

**REPORT OF THE SECOND ORDINARY SESSION
OF THE AU CONFERENCE OF MINISTERS OF
TRADE, CUSTOMS AND IMMIGRATION**



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INTRODUCTION

1. The Second Ordinary Session of the AU Conference of Ministers of Trade, Customs and Immigration convened at the level of Ministers from 27 to 28 May 2004 at the Conference Centre of Intercontinental Hotel in Kigali, Rwanda. The opening ceremony was presided over by Hon. J. K. Cuttaree, the Minister of Foreign Affairs, International Trade and Regional Cooperation of Mauritius in his capacity as outgoing Chairperson of the Conference. The guest of honour was H.E. Mr. Paul Kagame, President of the Republic of Rwanda.

ATTENDANCE

2. The meeting was attended by the following countries: Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Republic of Congo, Egypt, Ethiopia, Gabon, Ghana, Guinea, Kenya, Lesotho, Mali, Mauritania, Mauritius, Mozambique, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, The Sudan, Tanzania, Togo, Tunisia, Uganda, Zambia and Zimbabwe.

3. The following Regional Economic Communities (RECs) participated in the meeting: Common Market for Eastern and Southern Africa (COMESA), Community for Sahelo-Saharan States (CEN-SAD) and the Southern African Development Community (SADC).

4. The following African and international organizations, as well as NGOs were also represented at the meeting as observers: African Capacity Building Foundation (ACBF), Africa Harvest Biotech Foundation International, African Regional Organization for Standardization (ARSO), Africa Trade Network, Rwandan Consumers Association, Common Fund for Commodities (CFC), Consumers International Africa, African Economic Research Consortium (AERC), Department for International Development (DFID), Econews Africa, ENDA Tiers Monde, European Union, FAO, ILEAP, Interface Network, International Trade Centre (ITC), KIST, Organisation Internationale de la Francophonie (OIF), OXFAM, Rwanda Network Computer, SEATINI Kenya, Swedish International Development Agency (SIDA), United Nations Economic Commission for Africa (UNECA), WAEMU, World Bank, Third World Network (TWN), UN Conference on Trade and Development (UNCTAD), United Nations

Development Programme (UNDP), World Health Organization (WHO), and the World Trade Organization (WTO). The full list of participants is attached as Annex 1.

PROCEEDINGS

Agenda Item 1: Opening of the Meeting

REMARKS BY OUTGOING CHAIRMAN, HONOURABLE J.K. CUTTAREE, MINISTER OF FOREIGN AFFAIRS, INTERNATIONAL TRADE AND REGIONAL COOPERATION OF MAURITIUS

5. In his brief remarks, the Outgoing Chairman of the AU Conference of Ministers of Trade, Honourable J. K. Cuttaree, Minister of Foreign Affairs, International Trade and Regional Cooperation of Mauritius, gave an account of the work accomplished during his mandate and provided insight about challenges lying ahead for the African Group.

6. He recalled the strength and unity displayed by Africa in Cancun and its capacity to collectively evolve negotiating positions to address its concerns. He further referred to a series of missed deadlines where issues of direct concern to Africa, encompassing special and differential treatment, and implementation issues were being neglected. He also drew attention to drastic proposals that had been tabled at the level of the WTO Negotiating Group on market access. He expressed concern that these proposals ignored the implications of tariff reductions on government revenue, erosion of trade preferences, the African industrialisation process and overall development.

7. He commended the African Group for having adopted the Mauritius Declaration which enunciated the position of Africa on the key negotiating issues of Cancun and the emergence in Cancun of the G90 comprising the AU, ACP and LDC and which played an important part in shaping the content and direction of the future work under the DDA. In referring to the many caucus and mini-ministerial meetings to which he was invited as Chair of the AU Group, he pointed out that Africa's participation led to the dissipation of the impression that Africa was not interested in moving forward the negotiating process.

8. He then welcomed the positive initiative taken at the LDC Trade Ministers Meeting in Dakar from 4 to 5 May 2004 by the EU in favour of the weak and vulnerable economies. He added that it was important for Africa to have a formalized and structured co-ordination process at G-90

level in order to facilitate contact and discussions with other WTO partners and also in order to send the correct signal to the international community on the real intentions of the group. He also stressed the need to work towards a successful completion of the DDA. He underscored the importance for Africa to keep its solidarity at the level of the AU whilst participating fully in the G90. He further urged that the outcome of the Kigali meeting should contain recommendations which would enable Africa to play its role and defend its rightful interests in the course of the negotiations.

9. Finally, he thanked all Ministers for their support during his chairmanship and wished the Incoming Chair all the very best for the coming year.

WELCOMING STATEMENT BY HONOURABLE PROF. NSHUTI MANASSE, MINISTER OF TRADE, INDUSTRY, INVESTMENT PROMOTION, TOURISM AND COOPERATIVES OF RWANDA

10. The Hon. Prof. Nshuti Manasse, Minister of Trade, Industry, Investment Promotion, Tourism and Cooperatives of Rwanda addressed a brief welcoming statement to the AU Ministers of Trade, attending the 2nd AU Conference in Kigali, Rwanda.

11. He also expressed his appreciation to the Outgoing Chairman of the AU Conference of Trade Ministers, Hon. J.K. Cuttaree, Minister of Foreign Affairs, International Trade and Regional Co-operation of Mauritius for the exemplary service he has rendered to the Group and to the entire African Union Negotiating Team on WTO and EPAs over the last one year.

STATEMENT BY THE REPRESENTATIVE OF THE ECONOMIC COMMISSION FOR AFRICA

12. Taking the floor on behalf of Dr. K. Y. Amoako, Under Secretary General of the United Nations and Executive Secretary of the Economic Commission for Africa, Mr. Hakim Ben Hammouda, Director of the Trade and Regional Integration Division first thanked the Outgoing Chair for having succeeded in maintaining the unity of the African Group and facilitating the negotiation of major alliances through the G90 to ensure that the voice of African countries was heard.

13. Convinced that Africa's increased participation in the multilateral system remains a prerequisite for the development of African economies

as well as a crucial component of the continent's sustainable economic growth strategy, the Representative of the ECA urged African countries to continue to focus their post-Doha negotiation efforts on the agricultural aspect, the issue of industrial products (NAMA), the agreement on intellectual property and public health, the development dimension, Singapore Issues and lastly, Cotton.

14. The Representative of the ECA said he believed that the deliberations of the present session of the Conference would prove extremely useful for the future of trade negotiations of the Doha Development cycle and in strengthening Africa's position. While welcoming the existing collaboration between the AU and ECA Commissions, he reaffirmed the commitment of the ECA to spare no efforts to reinforce the position of African countries in multilateral negotiations at sub-regional and national levels. In this regard, he informed the Meeting about the opening of an ECA Office in Geneva which is working in close collaboration with the African Union Office and the African Group in WTO. The ECA also launched the African Centre on Trade Policies whose objective is to provide African countries with the necessary technical support.

15. Furthermore, he intimated that the ECA was currently carrying out a series of technical studies in the different fields, including studies on the impact of the agricultural subsidies of OCDE countries, NAMA issues and the impact of EPAs on African countries. These studies would undoubtedly be of great value for African countries. In conclusion, he wished the Second Session of the Conference of African Ministers of Trade every success in its deliberations.

STATEMENT BY MR. ROLF BOEHNKE, MANAGING DIRECTOR OF THE COMMON FUND FOR COMMODITIES

16. The Managing Director of the Common Fund for Commodities, Mr. Rolf Boehnke made a statement to the 2nd AU Conference of the Ministers of Trade meeting in Kigali, Rwanda.

17. In his statement, he reiterated that trade of African countries rested on commodities and yet, the commodities issues in the context of international trade negotiations had been ignored by the international Community for a long time.

18. He gave a narrative on the role the Common Fund for Commodities had been playing in giving seed capital to finance commodity activities

and in attracting resources from other institutions to finance commodities in order to unlock the potential in resources of the commodity producing countries. In this regard, he informed the Conference that to date the Fund has a cumulative project portfolio of 180 projects with a financial volume of 380 million US Dollars.

19. He concluded by reiterating that the economic and social advancement of the African people depended on action taken on commodities by the international community, and on the Common Fund for Commodities playing its rightful role in this respect.

STATEMENT BY MR. JEREMY LESTER, THE DELEGATE OF THE EUROPEAN COMMISSION

20. In his address, the EU representative put greater emphasis on WTO and EPA negotiations. He called for the Conference to come out with a declaration that clearly sets out priorities and concerns of the AU and gives a strong and positive impetus to the DDA Work Programme. He added that EU was ready to make further movement on export subsidies, on Singapore Issues and a package on concessions for the poorest and weakest members, which movement had been received positively by most WTO Members. He called on the Meeting to give adequate flexibility to the Kigali Declaration so as to provide sufficient latitude for negotiations in Geneva in July 2004.

21. The questions of development, Singapore Issues, NAMA and agriculture were also touched upon. The EU stated that it fully supported AU's vision of an integrated Africa based on RECs and that it was committed to working with the AU on the resolution of concerns in respect of EPAs. He added that although future funding to Africa were always high on EU's agenda, the AU should look beyond aid to private investment at all levels.

22. He concluded by stating that Africa should, under the coordination of the AU, shape the EPAs in order to maximise its development potential.

STATEMENT BY MR. THEMBA MASUKU, PERSONAL REPRESENTATIVE OF MR. JACQUES DIOUF, DIRECTOR GENERAL OF FAO

23. Mr. Themba MASUKU, the Personal Representative of Mr. Jacques Diouf, Director General of FAO made a statement on behalf of this Organization.

24. After highlighting the importance of the agricultural sector in African trade and in the growth and development of Africa, Mr. Masuku recalled the role played by the FAO in preparing member countries for the WTO multilateral trade negotiations on agricultural issues. He highlighted the technical assistance provided by FAO to WTO African Member countries in the area of trade in agricultural products, in order to minimize the possible negative effects of trade and contribute positively to food security.

25. He added that the FAO provides and will continue to provide its technical assistance on trade issues:

- At regional level, by organizing workshops for the purpose of shedding light on the links between trade, economic development and food security; clarifying the rights and obligations related to WTO agreements, particularly the different agreements on Agriculture and trade in agricultural products, as well as food security;
- At the level of the Commission and NEPAD, in mapping out the African Agricultural Development Programme and formulating the plan of action of this programme;
- At the AU Commission, through the realization in 2003 of a technical study on the possibility of establishing an African common market of agricultural products. The FAO representative went on to state that in its bid to expand the technical study for the establishment of this market, the FAO approved a technical cooperation project to be implemented between March 2004 and September 2005, intended to give the AU a better understanding of the obstacles to national and regional trade for better integration of markets;

26. Finally, he informed the Ministers that at the level of WTO Member countries, the FAO provides countries with technical assistance to

improve the harmonization of their national agricultural and food security policies under WTO; and to non-WTO member countries in their preparations to accede to WTO by organizing Round Tables and the publication of documents on issues pertaining to African trade negotiations.

STATEMENT BY DR. SUPACHAI PANITCHPAKDI, THE DIRECTOR GENERAL OF THE WORLD TRADE ORGANIZATION (WTO)

27. In his statement Dr. Supachai Panitchpakdi pointed out that African countries had a big stake in the WTO's Doha Development Agenda (DDA) and in the general effort of building a stronger multilateral trading system. To that end, he pointed out that there was a strong and growing resolve from many quarters of the WTO Membership to advance the negotiations in a concrete way during the forthcoming summer.

28. Dr. Supachai reported that since the beginning of 2004 there had been a series of Trade Ministerial meetings held in Cairo, Mombassa, Cotonou, Abuja and Dakar during which Ministers had been showing flexibility in key areas through the adoption of meaningful frameworks in Agriculture, Non-Agricultural Market Access and other relevant areas.

29. Regarding the forthcoming meeting in July, he underscored the need to achieve frameworks for the modalities on Agriculture and Non-Agricultural Market Access and the urgency to reach agreement on the issue of Cotton and the "Singapore Issues". He expressed the view that without movement on those issues there would be no movement at all.

30. Dr. Supachai went on to highlight the various positions as they have emerged so far, including the position contained in the recent letter from the EU to WTO Ministers which, in his view, represented a very significant shift in the EU's position on export subsidies in Agriculture. In respect of the weaker countries he pointed out that recent signals from major players have also given an indication of their relatively modest levels of expectation from the smaller and poorer developing countries. He therefore appealed to African countries to contribute to the emerging convergence for a July package.

31. On Singapore issues he pointed out that the European Union had substantially modified its position and urged Africa to show flexibility as shown by the LDC Ministers in Dakar. On Cotton, the Director General reported that work was about to begin to implement the outcome of the recent workshop in Cotonou. On supply-side constraints, he informed

the meeting that the WTO had been working with other development partners with the appropriate mandate to address the issues of concern, including technical assistance and training activities for Africa.

32. Against this background, the Director General appealed to Ministers that their Declaration from Kigali should increase the sense of convergence which acknowledges the flexibility others are showing and reacts positively to them. He also urged that Ministers should arm their negotiators in Geneva with sufficient mandates that would enable them to negotiate and reach deals in July.

STATEMENT BY THE COMMISSIONER OF THE AFRICAN UNION

33. In her opening statement, Mrs. Elisabeth Tankeu, on behalf of H.E. Prof. Alpha Oumar Konaré, the Chairperson of the Commission of the African Union, welcomed the Ministers of Trade of the African Union and all invited guests. She expressed profound gratitude to the host country, the Republic of Rwanda, for the sacrifices made in organizing the Conference during this period of reconstruction after the 1994 genocide.

34. Mrs. Tankeu then reviewed the context in which this Conference was being held, a context marked by the progressive establishment of the organs of the African Union, the imminent resumption of negotiations in WTO and the Eleventh Session of UNCTAD.

35. Mrs. Tankeu commended the congenial atmosphere which prevailed throughout the deliberations and presented an overview of all the issues discussed during the Meeting of Experts. She also reviewed the principal recommendations made on each of the agenda items. It thus emerged that the WTO related issues and those pertaining to UNCTAD were dealt with by a select Committee which made proposals whose adoption would enable the African Union to present a united front at various negotiations. With regard to the next UNCTAD session, the Commissioner called on Africa to support this institution because of the role it plays in the interest of the continent. She reported that the Experts also formulated proposals on the negotiation of the Economic Partnership Agreements in which some countries and RECs are currently engaged. Having intimated that the Coordination Mechanism was being put in place at the level of the African Union Commission, Mrs. Tankeu recalled the agreement concluded between the African Union Commission and the European Union to hold informal consultations on major issues emerging from the negotiations, which would be discussed at the level of the ministerial Troïka.

36. Mrs. Tankeu briefly touched on the economic integration process for which the Experts had painted a rather gloomy picture due to many factors such as the plethora of RECs and the multiple memberships of States in regional communities. The Experts hoped that this thorny issue would be brought to the attention of the Assembly of Heads of State and Government. Referring to the progress made in the establishment of the Union's organs, the Commissioner urged Member States to facilitate the free movement of persons and goods in order for the concept of the African Union to be a living reality at the level of the populace.

37. She also reviewed the status of implementation of the decisions of the First Ministerial Conference of 2003. In this context, she gave a brief account of the results of feasibility studies on the reform of the All-Africa Trade Fair and the establishment of an African Commodities Exchange. The experts enriched the terms of reference of these studies and recommended that for their finalization, the contribution of other stakeholders should be sought.

38. The Commissioner also mentioned the recommendations made by the experts for the economic empowerment of women and underscored the importance of harmonization and consumer protection issues in the context of the opening of borders resulting from globalization.

39. She concluded by stressing that the decisions made at this Conference would reinforce the African Union's Four-Year Programme of Action and thanked all the partners, who through their support and expertise, contributed greatly to the preparation of this Conference.

OPENING STATEMENT BY H.E. PAUL KAGAME, PRESIDENT OF THE REPUBLIC OF RWANDA

40. In the keynote address to the Conference, the Guest of Honour, H.E. Paul Kagame, President of the Republic of Rwanda, highlighted the key role which trade can play as an engine of growth and an instrument for the achievement of the Millennium Development Goals. He underscored the fact that a vibrant trading system can help to deal with the problem of poverty and marginalisation, hence, Africa needs the multilateral trading system as much as the system needs Africa.

41. Recalling developments that had taken place since the collapse of the 5th WTO Ministerial Conference in Cancun, President Kagame said there was now a mood for change and window of opportunity to resolve

the impasse on the DDA Negotiations. He paid tribute to the WTO for keeping the negotiation machinery running, called for flexibility and compromise on all sides to put the negotiations back on track. President Kagame outlined the concerns of Africa in the negotiations and stressed that Africa needed a united front to get these concerns adequately addressed and to achieve the type of partnership that Africa wants with the rest of the world. He advised that all negotiations and trade that the continent enters into should aim at promoting the economic growth of all African countries without discrimination. With regard to the EPA negotiations, the Guest of Honour called for the creation of a strong mechanism to coordinate Africa's efforts and monitor the whole integration process.

42. President Kagame acknowledged the significant efforts that were being made at the national and regional levels to create an appropriate environment for improving the performance of African countries in global trade. Specifically, he noted the political and economic reforms which many African countries had undertaken as well as the efforts of the Regional Economic Communities. He called for the strengthening and refining of these efforts. His Excellency said that the building of the Pan-African Common Market and the development of intra-African trade were critical for Africa to deal effectively with the outside world.

43. On a final note, President Kagame stated that what the current challenge facing Africa calls for is more action, too much talking having already been done. He urged the Ministers to take action to achieve what Africa wants.

VOTE OF THANKS

44. Honourable Mukhisa Kituyi, the Minister of Trade and Industry of the Republic of Kenya delivered a Vote of Thanks on behalf of his colleagues. He expressed deep appreciation to His Excellency Paul Kagame, President of the Republic of Rwanda, for sparing the time of his rather busy schedule to attend the Conference. This act, he said, was a demonstration of his personal commitment and the dedication of the people and Government of Rwanda to the objectives of the African Union and its trade agenda.

45. He recalled the tragic events of the 1994 genocide and expressed appreciation for the renewed vigour for the reconstruction of Rwanda that has found expression in exemplary President Kagame's leadership.

46. He thanked the President for sharing his thoughts on the issues that have been tabled for discussion by the Ministers and appealed to him and his peers for continued wise counsel and political support in the effort for the creation of the African Common Market, and the WTO and the EPA negotiation. In conclusion, he thanked the people and Government of Rwanda for the sacrifices that they have made in hosting the Conference.

Agenda Item 2: Election of the Bureau

47. The meeting elected the following Bureau:

Chair	:	Rwanda (East Africa)
First Vice-Chairperson	:	Egypt (North Africa)
Second Vice-Chairperson	:	Congo (Central Africa)
Third Vice-Chairperson	:	Ghana (West Africa)
Rapporteur	:	Zimbabwe (Southern Africa)

Agenda Item 3: Adoption of the Agenda

48. The meeting adopted the following Agenda:

1. Opening of the Meeting
2. Election of the Bureau
3. Adoption of the Agenda
4. Organization of Work
5. Consideration of the Report of the Experts
6. Consideration of the Draft Kigali Declaration on the Doha Work Programme and the Kigali Draft Consensus on the Post-Cancun Doha Work Programme
7. Consideration of the Draft Kigali Communiqué on UNCTAD XI
8. Any Other Business
9. Date and Venue of the 3rd Ordinary Session of the AU Conference of Ministers of Trade, Customs and Immigration

10. Adoption of Ministerial Outcome, i.e. Decisions, Declaration and Consensus on the Post-Cancun Doha Work Programme and Communiqué on UNCTAD XI
11. Vote of Thanks
12. Closure

Agenda Item 4: Organization of Work

49. The meeting adopted the following programme of work:

Morning: 09:00 hrs - 13:00 hrs

Afternoon: 15.00 hrs - 19:00 hrs

Agenda Item 5: Consideration of the Report of the Experts

50. The report of the meeting of Experts was tabled before the Ministers by the Chairperson of the Senior Officials meeting.

Review of the on-going Negotiation Process for the Post-Cancun Strategy and the Way Forward for the Implementation of the WTO Work Programme.

51. In considering the Report of the Meeting of Experts on the ongoing negotiation process for the Post-Cancun Strategy and the Way Forward for the Implementation of the WTO Work Programme, the Ministers appraised each other of the various consultations and initiatives undertaken by WTO Members in the post Cancun period.

52. The Ministers also provided an opportunity to the WTO Director-General to brief them on current developments in on-going deliberations amongst Members prior to the July General Council meeting.

53. They noted that a number of African Ministers had taken part in the consultations which have also involved other development partners towards consolidating progress in the current phase of negotiations. Ministers expressed the view that Africa must remain engaged and contribute positively to efforts aimed at reinvigorating the Doha Work

Programme in which its development needs remained a paramount consideration.

54. In approving the Kigali Declaration and the Kigali Consensus, the Ministers affirmed their confidence in their trade officials and negotiators and expressed satisfaction with their work at the 2nd Ordinary Session, as contained in the Kigali Declaration and Kigali Consensus.

55. The Ministers observed the importance of progress at the July General Council meeting as a basis for further progress. To this end, the Ministers acknowledged the need to provide their trade officials and negotiators with the necessary guidance and political space.

56. The Ministers emphasized the importance of solidarity amongst African countries. In acknowledging recent indications for potential progress in addressing some of the concerns of the G90, as contained in the recent communication from the European Commission, the Ministers reiterated that progress should not be made conditional.

57. The Ministers noted that there were areas of convergence between the G90 and G20 and hence the need to maintain a strategic alliance. In this regard, they noted the need to ensure that the G90 and G20 were mutually reinforcing and acknowledged the strategic need to strengthen their unity and solidarity.

58. The Ministers took cognizance of the unique development challenges facing LDCs and supported the call to extend to them, bound duty-free and quota free market access. At the same time, the Ministers noted that the unique differences between developing countries in their levels of economic development manifested a need to consider appropriate measures that would address their development needs in the multilateral trading system. In acknowledging the existing system of country classification, the Ministers noted that there was need to consider the issue of classification with development partners in order to safeguard the unique needs of all developing countries.

Status Report on the Negotiations for ACP-EU Economic Partnership Agreements (EPAs)

59. Ministers discussed the Report of Experts on the negotiations for ACP-EU Economic Partnership Agreements (EPAs) and adopted the following recommendations:

- The unity of Africa must be maintained in the EPA negotiations. The EPA negotiations must not undermine the process of African integration. The African Union should speedily conclude, before substantive negotiations begin, the establishment of coordinating mechanisms that will enable African regions to exchange experience and have common positions on key issues in the negotiations with the EU;
- African countries that have experience of negotiating with the EU could share such experience with the regions engaged in EPA negotiations with the EU;
- Coherence and consistency must be maintained in and between EPA and WTO negotiations. The EU offer in the WTO negotiations in favour of weak and vulnerable economies should be taken into account in the EPA negotiations.
- African countries should mobilise more of their own internal resources for capacity building and pursuit of EPA negotiations with the EU. The support of the African Capacity Building Foundation (ACBF) should be explored in that regard.

Implementation of the African Growth and Opportunity Act (AGOA)

60. Ministers discussed the implementation of the AGOA at length because the stakes were high for eligible African countries. The Meeting was informed that at the level of the United States Senate only one provision, that of third-country fabrics, was going to be considered for extension for a period of six to twelve months until the new U.S. Administration is put in place. In addition, the Bill has to secure unanimous consent for it to be enacted.

61. Ministers felt that most of the recommendations contained in the Experts' Report related to technical measures aimed at bringing about more benefits to eligible countries. On the other hand, some Ministers felt that more flexibility should be sought regarding AGOA conditionalities which did not relate to international trade. This would enable a greater number of countries to become eligible to the AGOA. Although all Member States unanimously agreed that it was important that all African countries be AGOA-eligible, it was also recognised that

the timing was not appropriate to raise the issue with the U.S. Administration and it was wiser to wait a while.

62. In light of the above and taking into account the immense potential benefits from AGOA to African eligible countries, Ministers agreed to:

1. Strongly urge the U.S. Congress to expedite the necessary amendments to the AGOA Act along the lines proposed in the AGOA III Acceleration Act of 2004 as presented by the U.S. Congressional Committee of Ways and Means;
2. Mandate the Chairman of the African Union Trade Ministers Conference to communicate their concerns to the U.S. Congress;
3. Recommend to the Heads of State and Governments of the AU to get more personally involved in the AGOA III Acceleration Act process by *inter-alia* encouraging the U.S. Administration Congress to:
 - a) renew urgently the AGOA beyond 2008 and extend until 2008, the provision on third-country fabrics scheduled to expire in September 2004;
 - b) approve the Rules of Origin that would enable AGOA beneficiary countries to cumulate inputs originating from all AU Member States in respect of their exports to the USA;
4. Request the AU Commission to intensify its efforts to ensure that eligible AU Member States draw maximum benefits from AGOA, both in terms of trade and investment mobilisation. In this regard, the Commission should work closely with AGOA – designated Hubs and collaborate with the USTR and the RECs in order to develop a comprehensive regional work programme for the eligible countries; to that end, a capacity-building programme to enhance the ability of entrepreneurs to exploit business opportunities should be developed.
5. Further recommend to the Heads of State Implementation Committee of NEPAD to secure the opportunity of the G8 meeting in June 2004 to make a strong case for the extension

of AGOA, especially as the G8 countries had made commitments to Africa within the framework of NEPAD.

Process of the Creation of the African Common Market

63. The Ministers took note of the progress made in the process of the creation of the African Common Market in respect of the Common Market for East and Southern Africa (COMESA), the Southern African Development Community (SADC) and the Community of Sahelo-Saharan States (CEN-SAD).

64. The meeting recognized that during the meeting of the Experts the representative of CEN-SAD was unable to make his presentation available to the meeting. With the approval of the Ministers, the summary of the activities was authorized to be incorporated in their report as follows:

65. The Representative of the Community of Sahelo-Saharan States (CEN-SAD) briefed the meeting on actions and initiatives implemented within the framework of CEN-SAD with a view to developing and facilitating the flow of trade between CEN-SAD Member States.

66. He stressed that the policy organs of CEN-SAD, bearing in mind Articles 29, 30, 31 and 32 of the Abuja Treaty of 3 June 1999, and pursuant to the provisions of the Treaty of 4 February 1998 establishing the organization, recommended that consultations be carried out to create the necessary conditions for the establishment of a free trade area. According to the Representative of CEN-SAD, the related process is underway, under the technical management of the African Development Bank (ADB), which is supervising a comprehensive study within the context of which all CEN-SAD Member States, all the other Regional Economic Communities, the African Union, ECA, FAO, WAEMU, CEMAC, would be consulted, in a spirit of complementarity, harmonization and exchange of experiences.

Proposal for the Establishment of the African Customs Network

67. The Ministers took note of the conclusions of the Algiers Conference of Directors General of Customs Administrations and the on-going cooperation between the Commission of the African Union and the Swedish International Development Cooperation Agency (SIDA),

particularly the recommendations contained in the draft Study entitled a “Modern Customs Knowledge Project”. In this connection the Conference, *inter alia* agreed to:

1. the creation and the operationalization of the Sub-Committee of Directors General of Customs as an organ of the AU Specialized Technical Committee on Trade, Customs and Immigration;
2. the setting up of a Customs Network linking up the AU Commission, the Customs Departments of the RECs and the national Customs Administrations;

68. The Conference, while thanking the agencies cooperating with the AU, invited the World Customs Organization (WCO), the World Trade Organization (WTO), SIDA, UNDP and other donor agencies to continue to provide financial and technical assistance to the AU Commission in support of the Customs Network and the Sub-Committee of Directors General of Customs, as well as the implementation of the follow-up activities in respect of the SIDA study project

Proposal for Reforming the All-Africa Trade Fair (AATF)

69. Having taken into account the recommendations of the Experts, the Ministers decided that:

1. A study should be conducted to define the reform of the AATF with a clear objective not limited to promotion of intra-African trade but also promoting Africa’s trade with the rest of the world.
2. a) the objectives of the All-Africa Trade Fairs are essentially to create awareness among African business communities about available African goods, commodities and services; as such Trade Fairs should be venues where exporters and importers should meet, discuss and conclude trade deals;
- b) Member States should encourage their SMEs to establish their own associations to help their members to exhibit their products in the All -Africa Trade Fairs.

70. The Ministers approved the Terms of Reference for the Study on the Reform of the All Africa Trade Fair and requested that it should include exploring opportunities for electronic commerce and using the website to promote the marketing of African goods.

71. They also directed that the Study should examine the possibility of developing a network of African Sub-Regional and AU Chambers of Commerce, while exploring their potential contribution, as strategic partner(s) to the reformed AATF and the practical modalities for translating the said network into an effective AU Association of Chambers of Commerce and Industry.

72. Furthermore, Ministers directed that the study should explore the possibility of forming the Union of All-Africa Trade Fairs, similar to the one in Paris, with resources for assisting trade fairs in Africa.

Presentation of Business Plan for the Proposed African Commodity Exchange

73. The Ministers took note as a Progress Report of the Draft Business Plan for the Proposed African Commodities Exchange prepared by the Commission of the African Union. It accordingly requested the Commission to:

1. constitute a small group of countries that have strong Commodity Boards to go into the details of the Business Plan and come up with recommendations to be submitted to the AU Commission; subsequently;
2. organize five validation workshops at the level of the RECs to be attended by the National Commodity Experts and those of the RECs. The outcome of their deliberations should then be submitted to the AU Conference of Ministers of Trade in 2005, and later to the Executive Council and Assembly;
3. speed up the finalization of the legal instruments as well as the operating systems manual as mandated by the AU Ministers of Trade meeting held in Mauritius, in June 2003.

Report on Preparations for UNCTAD XI

74. In considering the report of the experts on the preparations for UNCTAD XI, the Ministers endorsed the proposal from Tunisia on the need for UNCTAD to be involved in the preparations for the second phase of the World Summit on the Information Society (WSIS). It also noted that the said Summit would take place from 16 to 18 November 2005 and participants would include governments, the civil society and the private sector.

75. The delegation added that the Summit would deal with sensitive development issues to work out practical measures for reducing the digital divide, and promoting a stable and interdependent world society through the development of ICT partnerships. The Summit would also include the follow-up to the Geneva Programme of Action at national and international levels.

76. In conclusion, the Ministers took note of the report on the preparations for UNCTAD XI and accordingly adopted the attached Kigali Communiqué on UNCTAD XI.

Conditions for the Economic Empowerment of Women

77. The Ministers took note of the proceedings that took place at the level of the Meeting of Experts, particularly the fact that the economic activities of women continued to be restricted to the informal sector. They noted the two presentations made to the Experts by Interface and Africa Harvest respectively, whose activities aimed at building the capacities of women in agricultural production, agro-industry and trade sectors. The Ministers recognized that the issue of the economic empowerment of women is a complex process which is beyond the scope and competence of the Ministry of Trade and therefore necessitated the political commitment of Heads of State and Government which could be translated into a global approach. Nonetheless, the Ministers agreed that:

1. African countries should formulate and implement a national policy for the economic empowerment of women which offers them real business opportunities on the national, regional and international markets.
2. This policy should be evaluated annually by the African Peer Review Mechanism.

3. Specific and relevant programmes should be established for the development of women's entrepreneurship which will facilitate the access of women to land, loans, technological innovations and research results in terms of business opportunities.
4. Women entrepreneurs should be officially invited to participate in the Third Ordinary Session of the AU Conference of African Ministers of Trade in 2005.

Protecting Consumers in a Context of Market Liberalization and Globalization

78. The Ministers recognized the existence of Consumer Protection Rights as enshrined in the UN Resolution 39/248 entitled the "Guidelines for Consumer Protection" and as provided for under Article 51 of the Cotonou Convention. They also noted the need to protect the welfare of Consumers against, *inter alia*, dangerous products, unfair business practices, as well as sub-standard goods. In this connection, Ministers agreed to enter into policy dialogue with their citizenry with a view to enacting the requisite legislation to protect their consumers from all forms of exploitation and all forms of unfair business practices. To that end, the Ministers agreed to promote consumer education in their countries.

Consideration of the Report/Recommendations of the Workshop of ARSO

79. The Ministers took note of the efforts so far deployed by ARSO to re-engineer itself and accordingly agreed to:

1. Encourage country membership and participation in ARSO and its activities.
2. Encourage participation in international standardization.
3. Urge AU Member States to commit adequate resources to standardization, conformity assessment and related matters.
4. Promote the development of a quality culture in their respective member countries.

5. Apply the principles of harmonization of standards as laid down in the WTO/TBT and SPS agreements.
6. Allow ARSO to make progress reports at forthcoming sessions of the Ministers of Trade and Industry.

Consultation Dialogue on the Report and Recommendations of the Africa Trade Network Workshop

80. The Ministers took note of the contribution made by the African Trade Network (ATN) on behalf of the civil society on issues such as Agriculture, Non-Agricultural Market Access (NAMA), Singapore Issues, Special and Differential Treatment and Implementation issues within the contexts of the WTO and EPA negotiations respectively.

Presentation of a Single African Candidate for the Post of Managing Director of the Common Fund for Commodities (CFC)

81. The Ministers took note of the fact that the impending election for the post of Managing Director of the Common Fund for Commodities is scheduled to take place in The Netherlands, from 28 to 29 June 2004. There were three African candidates:

- | | | | |
|----|-----------------------------|---|----------|
| 1. | Amb. Ali Mchumo | - | Tanzania |
| 2. | Mr. Marubu Munyaka | - | Kenya |
| 3. | Mr. Yahia Benyounes Bouarfa | - | Algeria |

82. The Meeting was also briefed on the outcome of the election proceedings in December 2003 when the Algerian candidate was presented by the AU as the sole African candidate. However, since none of the candidates whether European or African was able to obtain the required two-thirds share of votes, the elections were postponed until June 2004 and fresh nominations were sought. Ministers were also reminded of the deliberations of the AU Candidatures Committee which took place in Addis Ababa in March 2004, during the Meeting of the Executive Council.

83. Bearing in mind that the AU has an established procedure and institutional machinery for presenting a single African candidate for posts in the International System; further taking into account the fact that the elections would take place in June prior to the next meeting of AU Candidatures Committee in June/July 2004, during the Executive Council and AU Summit Meetings, the Ministers decided that the matter

should be referred back to the Commission of the African Union to carry out further consultations with the Ambassadors of Tanzania, Kenya and Algeria so as to come up with a single African candidate to present at the said elections. In arriving at this decision, Ministers stressed the imperative need for Africa to present only one candidate.

Agenda Item 6: Consideration of the Draft Kigali Declaration on the Doha Work Programme and the Kigali Draft Consensus on the Post-Cancun Doha Work Programme

84. The Ministers adopted the Kigali Declaration on the Doha Work Programme, and its Annex the Kigali Consensus on the Post-Cancun Doha Work Programme with a few amendments. Both documents are annexed to this Report.

Agenda Item 7: Consideration of the Draft Kigali Communiqué on UNCTAD XI

85. The Ministers adopted the Kigali Communiqué on UNCTAD XI with no amendments. The full text of the Communiqué is annexed to this Report.

Agenda Item 8: Any Other Business

86. One delegation recalled the issue of rising oil prices. The Conference recognized the importance of the matter.

87. The delegation of Mauritius recalled the letter it circulated earlier with regard to a proposed G90 meeting which had been requested for, at the last ACP Council of Ministers. In that connection, Mauritius stated that it had undertaken consultations with the Chair of the LDC Group and with the Secretary General of the ACP Group and that the meeting was being organized by the ACP but hosted by Mauritius. In that regard, it added that it had distributed the letters for information but that appropriate invitation letters would be issued by the ACP.

88. The African Union Commission reminded the Ministers of their decision to hold a meeting of the African Group in Sao Paolo on the 10th of June, 2004, prior to the opening of UNCTAD XI. The meeting would precede those of the G77 and China scheduled to be held on 11 and 12 June, 2004 respectively and allow the African Group to coordinate its positions vis-à-vis the UNCTAD XI text and more specifically with regard to issues which had not gathered consensus at the level of the Preparatory Committee. All Member States were invited to participate in the meeting.

Agenda Item 9: Date and Venue of the 3rd Ordinary Session of the AU Conference of Ministers of Trade, Customs and Immigration

89. The Egyptian delegation offered to host the 3rd Ordinary Session of the Conference in Cairo, Republic of Egypt, following which the Kenyan delegation also expressed its wish to host the Conference in Nairobi, Kenya the following year. After an exchange of views, the Ministers decided that Egypt and Kenya could host the meeting consecutively and that both countries should consult and inform the meeting later.

90. After consultations, it was agreed that Egypt would host the 3rd Ordinary Session of the Conference of Ministers of Trade in 2005 while Kenya would host the 4th Session in 2006. The delegation of Egypt highlighted the friendly spirit in which discussions took place between the two parties on the issue and seized the opportunity to invite the meeting to Cairo in 2005.

Agenda Item 10: Adoption of Ministerial Outcome, i.e. Decisions, Declaration and Consensus on the Post-Cancun Doha Work Programme and Communiqué on UNCTAD XI

91. The Conference adopted its decisions as contained in the Report, the Kigali Declaration on the Doha Work Programme, the Kigali Consensus on the Post-Cancun Doha Work Programme and the Kigali Communiqué on UNCTAD XI.

Agenda Item 11: Vote of Thanks

92. A vote of thanks was read by H.E.KYEREMANTEN Alan J. Minister of Trade, Industry & President's Special Initiatives of Ghana on behalf of the Conference, in which he expressed the deep gratitude of Ministers to H.E. Paul Kagame, President of the Republic of Rwanda, the Government and People of Rwanda for the warm hospitality and the cordial reception extended to all delegations to the Second African Union Conference of Ministers of Trade as well as for their contribution to the realisation of the goals of the African Union. He also underscored that the Kigali meeting had afforded them the platform to adopt the Kigali Declaration on the Doha Work Programme, and its Annex, the Kigali Consensus on the Post-Cancun Doha Work Programme, as well as the Kigali Communiqué on UNCTAD XI.

Agenda Item 12: Closure

93. In his closing statement, H.E. the Rt. Hon. Prime Minister of Rwanda, Bernard MAKUZA highlighted progress made in the discussion of various items on the agenda, namely the way forward in WTO and EPA negotiations, action underway in the creation of the African Common Market, Africa's interests in AGOA as well as the need to promote capital flows, technical know-how and quality standards, the necessity to break traditional barriers in order to empower women, and other issues. He also underlined the need for Africa to remain united and adopt common positions in their dealings with the developed world. He then declared the meeting closed.