

Trade Policy Unit

Daily news and updates

(1) Working group on small business approves work program, issues a call for papers (WTO)

- The Informal Working Group on Micro, Small and Medium-sized Enterprises (MSMEs) approved on 13 March the Group's new work program. The Group also agreed to issue a call for papers on MSMEs provisions in RTAs, which will inform the Group's work in this area. The Group welcomed two additional participants, Barbados and the United States, bringing the total number of members taking part in the initiative to 97.
- The approved work program will hinge on five main pillars: promoting MSMEs' access to information; building capacity to promote greater inclusion of MSMEs in international trade; providing policy guidance; implementing the December 2020 MSMEs package; and engagement with the private sector. In particular, members supported increasing awareness of tools such as the Trade4MSMES platform, the Global Trade Helpdesk and ePing which aim to increase MSMEs access to information.
- The WTO Secretariat provided a brief demonstration on improvements that were made to the Regional trade agreements database which seeks to make the database more user friendly. The International Trade Centre (ITC) shared updates on its Global Trade Helpdesk. A new addition to the platform is the inclusion of information on logistics providers from IATA - ONE Source. ITC will continue to develop this portal and enhance the coverage of information on the portal.
- A call was also made for members to share information about their national policies and to link the Global Trade Helpdesk to their national database. To this end, questionnaires will be distributed to members. The ITC also briefed the Group on its work with the Indian presidency of the G20 to assist integration of MSMEs into global value chains.
- The WTO Director General Ngozi-Okonjo Iweala also held a meeting on March 10 with a number of small business representatives and associations that support small businesses to discuss the challenges that they face when they trade internationally and what the WTO can do to help in this regard. The seven small businesses, which operate in Asia, Africa, the Middle East and North America, also shared the challenges they face as they participate in digital trade and the digital economy.

(2) 90% Tripartite Region NTBs resolved — COMESA (The Chronicle)

- A total of 716 out of 796 non-tariff barriers (NTBs) registered in the online reporting system implemented by the three regional economic communities, COMESA, East African Community and the Southern Africa Development Community have been resolved.

- According to the latest report by COMESA, only 80 NTBs remain unresolved. Major NTBs include restrictive licensing, permitting, and other requirements applied at the border. Barriers behind the border, such as unwarranted technical barriers to trade and sanitary and phytosanitary measures are equally prevalent.
- COMESA's director of trade and customs has indicated that while close to 90% of NTBs reported in the Tripartite region have been resolved, more collaboration is needed to totally eradicate the remaining ones. He implored partner/member States, which have not yet established national monitoring committees (NMCs) and designated national focal points to do so as a matter of priority. As the tariff walls come down in the global and regional trading arena, he noted that NTBs continued to thrive and emerge in different forms in the Tripartite region.

(3) Africa's new free trade area will see agriculture surge (WEF)

- The key role that agriculture plays in the African Continent's economy is only set to grow in strength and size under the African Continental Free Trade Area (AfCFTA) agreement. The deal will be transformative for many of Africa's industries, but given agriculture's already central role in the continent's economy, and its huge potential for growth, agriculture will be a prime beneficiary. Under the AfCFTA agreement, Africa's need to import so much will be reduced, and domestic processing capacity boosted massively.
- According to the World Economic Forum's Insight Report on the deal — *AfCFTA: A New Era for Global Business and Investment in Africa* — agriculture has exceptional potential for increasing intra-African trade, meeting local demand, accelerating GDP growth, creating new jobs and improving inclusivity due to upstream and downstream linkages.
- It will increase value addition, meet new local demand and bring smallholder farmers — who are responsible for 80% of Africa's food production — into wider supply chains. Opportunities abound in the AfCFTA for new investment in agro-processing, in particular. This growth in agriculture and agro-processing will drive new investment from abroad, from within the continent and outside of it.
- The common market introduced under the AfCFTA can leverage regional differences in the strengths and competitiveness of intra-African diversity in their food value chains, specialisations and key outputs. Increased intra-African trade through the AfCFTA will help reduce dependency on foreign agricultural inputs. By 2030, intra-African agricultural trade is projected to increase by 574% if import tariffs are eliminated.
- African-owned and run businesses will benefit from this intra-continental trade boost. The fertiliser industry, for example, is expected to boom.