

28th February 2020

Zambia Undertakes Validation of Tariff Phase Down Schedule Under the AfCFTA

Statement

On Friday, 28th February, 2020, the Ministry of Commerce, Trade and Industry in collaboration with the Zambia Institute for Policy Analysis and Research (ZIPAR) with support from the Consumer Unity and Trust Society (CUTS) and Oxfam hosted a validation meeting at the Intercontinental Hotel on the development of Zambia's tariff phase down schedule under the African Continental Free Trade Area (AfCFTA).

Zambia is on course to ratify the Africa Continental Free Trade Agreement which the country signed on February 10th, 2019. The objective is to accelerate regional, economic, political and social integration through the participation in a free trade area, whose aim is to substantially remove all restrictions to trade and investment on the African continent. The main objective of the meeting was validating the draft tariff phase down schedule and final sensitive and exclusion lists based on the draft lists that were developed during the provincial consultative meetings.

Zambia's ratification of the Agreement would support Government efforts to diversify the economy and focus on key sectors with potential as identified in the country's AfCFTA Implementation Strategy including manufacturing, construction, agriculture, tourism, education, energy, ICT and health.

The AfCFTA is also expected to enhance competitiveness at the industry and enterprise level through exploitation of opportunities for scale production, continental market access and better allocation of resources. In order to facilitate development of the tariff phase down schedule, the Ministry of Commerce Trade and Industry has held consultative meetings in Lusaka, Eastern, Copperbelt and North Western Provinces from September 2019 to February, 2020.

For the development of this schedule, each country is expected to assign products to three product groups/lists i.e. 'non-sensitive' products accounting for 90 percent of tariff lines and value of trade, 'sensitive' products (7 percent) and the 'exclusion list' (3 percent). The modalities provide for members to negotiate on sensitive products, on a request and offer basis, on which tariffs would reduce to zero over a longer period – 10 years for non-LDCs and 13 years for LDCs.

In addition, the modalities provide for an exclusion list, products on which no reduction in tariffs would be proposed. This will also be negotiated on a request and offer basis – so one exclusion list for each bilateral relationship within the AfCFTA – and will be subject to review every five years. The meeting included stakeholders from government ministries, private sector, civil society and the academia to ensure that Zambia's sensitive and exclusion list has input from the parties that will be directly involved in trade under the AfCFTA.

Signed by: The Consumer Unity and Trust Society (CUTS) and the Ministry of Commerce, Trade and Industry

This press statement has been made available to you by:

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