

ADDRESS BY HIS EXCELLENCY MUHAMMADU BUHARI, PRESIDENT, FEDERAL REPUBLIC OF NIGERIA, AT THE INAUGURATION OF THE COMMITTEE TO ASSESS IMPACT AND READINESS FOR THE AFRICA CONTINENTAL FREE TRADE AREA AGREEMENT (AFCFTA), ON MONDAY, 22 OCTOBER, 2018

It is my pleasure to be here with you in this inauguration ceremony. Let me begin by saying that Nigeria today, is the largest economy in Africa. We are also the most populous nation blessed with vast natural resources.

2. For too long, our domestic productive capabilities were neglected in favour of imports. Nigeria was using its hard-earned oil revenues to create jobs offshore instead of developing the manufacturing potential of our very vibrant, young and dynamic population.

3. Many of our challenges today, whether relating to security, unemployment or corruption are rooted in the fact that we have not been able to domesticate the production of our most basic requirements. The recent recession, which was as a result of our over dependence on external factors, is a clear case of why Nigerians must now aspire to self-sufficiency.

4. The Economic Recovery and Growth Plan (ERGP) introduced by this administration focuses on the revival of key job creating and import substitution sectors such as agriculture, mining, manufacturing and services.

5. To ensure the ERGP is seamlessly implemented, we commenced a number of structural reforms through the Presidential Enabling Business Environment Council; the Industrial Policy and Competitiveness Advisory Council; and, the Nigerian Office for Trade Negotiations.

6. Ladies and gentlemen, the benefits of these reforms are being felt as our economic policies are creating meaningful jobs for our young population, assuring national food security and improving the competitiveness of our economy to position export trade as an engine for economic growth.

7. However, while we must look inwards for certain solutions, we have not lost sight of regional and international trends, especially on trade where global dynamics are shifting and changing at a rapid rate.

8. This means that as we plan for the long term, we must also be flexible enough to respond to short-term shocks that could upset our economic diversification and backward integration plans.

9. It is against this background that we are gathered here today on the subject of the African Continental Free Trade Area Agreement (AfCFTA) which was introduced early in the year.

10. The creation of this free trade area is a worthy and commendable idea. Clearly, the population, resources, geographical spread and other theoretical trade indicators of the continent highlight the tremendous potential that exist if we can crack the various barriers that hinder intra-African trade.

11. However, although this assertion makes easy sense in theory, the reality of doing business in Africa poses its own peculiar challenges.

12. You will all recall that some months ago, the Vice President at an event reminded Nigerians that the concept of free trade implies a fundamental assumption of the level and competitive playing field that is fair.

13. For those of you who are in business, I am sure you will all agree that Africa's trading landscape, as it stands, is multifaceted.

14. For us in Nigeria, our vision for intra-Africa trade is for the free movement of "made in Africa goods". This means the goods and services must have significant African content in terms of raw materials and value addition to the production and service processes.

15. Therefore, the Continental Free Trade Area must be packaged and implemented to achieve this vision. This is the only way the majority of Africans will positively benefit from it.

16. A few months ago, I directed a nationwide stakeholder engagement on the AfCFTA to understand the true impact of this agreement on Nigeria and Nigerians considering the existing domestic and regional policies as it relates to trade.

17. From these consultations, the key issues raised by stakeholders were:

- a. Abuse of rules of origin,
- b. Smuggling arising from difficulties in border controls,
- c. Un-quantified impacts of legacy preferential trade agreements;
- d. Low capacity and capabilities of local business to conduct international trade,
- e. Cost of finance,
- f. Insufficient energy; and
- g. Transport logistics infrastructure, to mention a few.

18. Our ERGP is addressing these issues. Nonetheless, we are determined to break away from the past practice of committing Nigeria to treaties without a definite implementation plan to actualize the expected benefits while mitigating the risks.

19. We cannot go back to the days of signing agreements without understanding and planning for the consequences of such actions. And our country being the worse off.

20. Your task as members of the AfCFTA Impact and Readiness Assessment Committee is to address the issues raised during the nationwide stakeholder consultations on the AfCFTA.

21. You are expected to develop short, medium and long-term measures that will address any challenges arising therefrom.

22. I look forward to receiving from you in 12 weeks, a clear roadmap for Nigeria as it relates to the AfCFTA.

23. I wish you fruitful deliberations and I am happy to inaugurate this Committee.

I thank you and may God bless our country.