



REPUBLIC OF KENYA

**REMARKS BY HIS EXCELLENCY HON. DR.  
WILLIAM SAMOEI RUTO, C.G.H., PRESIDENT AND  
COMMANDER-IN-CHIEF OF THE DEFENCE  
FORCES OF THE REPUBLIC OF KENYA DURING  
THE LAUNCH OF THE AFRICA CONTINENTAL FREE  
TRADE AREA TRADE AND POLICY DEVELOPMENT  
CENTRE**

**NOVEMBER 7TH, 2023**

**STRATHMORE UNIVERSITY, NAIROBI**

**Dr. Vincent Ogotu, Vice Chancellor, Strathmore University,**

**H.E. Wamkele Mene, Secretary General of the African Continental Free Trade Area Secretariat,**

**Distinguished Guests.**

**Good morning,**

1. I thank each one of you for finding time to participate in this inaugural conference on the Africa Continental Free Trade Area and engage with the most important fundamental issues in terms of Africa's overdue economic transformation.
2. We are at a historic juncture in world development, in which Africa, at long last, is emerging as a focal point of important global strategic agendas with tremendous political, security, environmental and, most importantly, economic implications.
3. Throughout the modern era, Africa has been profiled as a troubled continent which abounds with immense potential and limitless possibilities, yet year after year, overcoming these challenges and actualising this potential has remained an elusive dream.
4. Consequently, Africa has continued to rank at the bottom when it comes to participating, contributing and competing in the global economy relative to other regional blocs. It accounts for only 3% of global trade, because a stronger performance is prevented by disjointed and fragmented markets, besides other structural deficiencies and historical legacies, which undermined sound institutional development, impede efficiency and limit the possibility of robust economic growth and transformation.



5. Historically, the continent has been afflicted by the horrific legacy of colonial tyranny, economic exploitation and political instability, which have hindered Africa's ability to participate fully in global trade and benefit from its own resources.
6. Although politically sovereign, economically, we have been trapped in the vicious cycle of underdevelopment and poverty, now compounded by an inescapable debt trap and a runaway climate crisis.
7. The profile of Africa has been so pessimistic that its endowments were deliberately cast in a despairing light. Thus, Africa's resources were portrayed as a curse that could only bring conflict and bloodshed instead of wealth and development.
8. Africa's growing youthful population was similarly represented as a ticking time bomb that would explode into intense poverty and endless fighting. Even Africa's forests were not spared; they were dangerous hideouts teeming with dangerous youths awaiting the opportune moment to unleash unspeakable horror.
9. Despite and indeed, very often because of its abundant endowments, Africa has been persistently underrated, underrepresented and relegated to the margins of positive economic discourse, and the centre of negative political conversations.
10. These conversations are changing inevitably, as the fundamental structural problems underlying many countries' political fragility and economic vulnerability come to light. Much of the difficulty encountered by many countries arose from an



international economic and financial system deliberately configured to sustain a rigid developmental gradient.

11. Consequently, resources typically flow in one direction, on the cheap, for the benefit of the powerful industrialised states, which control the levers of this system, while finished products are afterwards imported to these same countries at prices that make utter mockery of our endowments and aspirations.
12. It is now accepted that the threat of instability which stalks many regions and nations is more often than not, a direct and indirect manifestation, in political governance and national security terms, of profound economic failures at the institutional level, compounded by environmental fragility.
13. At the centre of all discourse concerning Africa's relative underdevelopment and low economic performance in the midst of such staggering plenty, is the question: why is a continent, that is larger than all the other continents and land masses combined, which is home to over a billion people and sits of all these resources, contributing only 3% of global trade, and only 2.84 % of global GDP?
14. As soon as one reflects upon this question, it becomes clear that there exists a connection between Africa's underperformance in absolute and comparative terms and the equally low levels of intra-Africa trade and investment. Between 1995 and 2017, intra-African trade grew from 10% to 17%. For perspective, consider that the next lowest region in regional trade is North America at 31%, then Asia at 59 %, while Europe stands at a strong 69%. The EU is a highly integrated market with a Parliament, Judiciary and single currency and this unity is amply reflected by its GDP and levels of regional trade and investment.



15. It has been clear for a while now that strengthening unity of Africa and deepening economic integration on a continental scale would confer on us tremendous opportunities and benefits on a scale commensurate with our stature, profile, needs and aspirations.
16. A decade ago, therefore, the African Union laid down the agenda to guide our endeavours to achieve this goal by 2063, through a development roadmap, which envisions an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the international arena.
17. This agenda explicitly sets out the direct connection between Pan-African unity, economic development and peace and security, at once exposing the fundamental economic drivers of our failures and a fundamental economic vision as the engine of unprecedented African transformation.
18. Today, Africa is beginning to hum with the energy unleashed by the unfolding of innumerable opportunities, thanks to regional and Pan-African integration. Trading has commenced under the Africa Continental Free Trade Area, AfCFTA, and even in this early stage, the potential to rapidly grow intra-African trade beyond earlier projections is very much in evidence. Many firms are going back to the drawing board because the full implications of the colossal scale of this platform are emerging.
19. A seamless market of 1.4 billion people, launching off from a GDP of USD 3.4 trillion, is a tremendous start by all accounts. It is projected to increase incomes by at least 7% throughout our 54 countries by 2035, thereby lifting over 30 million people out of poverty.



20. Today, there is much optimism and excitement as we embark on a new chapter in Africa's economic journey. The launch of the African Continental Free Trade Area (AfCFTA) marks a significant milestone in our pursuit of economic transformation across the continent.
21. The time for Africa's economic transformation and industrialization has come and we must execute a transition from merely supplying world markets with raw commodities to broad spectrum of value-added contributions, including tradeable services, as well as embracing the rapidly evolving digital technologies, to accelerate economic growth and create employment opportunities for the continent's burgeoning youthful population.
22. The AfCFTA therefore provides a crucial opportunity for us in Africa to define the terms and conditions under which we shall pursue African self-sufficiency with the aim of actualising authentic African self-determination.
23. Under the African Continental Free Trade Area, we have a chance to transform our continent into a global economic powerhouse and elevate the lives of millions of African citizens. It is projected that the AfCFTA could create 2 million additional jobs and lift 30 million people out of extreme poverty by 2035.
24. The agreement establishing AfCFTA, already signed by 54 out of 55 African Union Member States, establishes the largest free trade area in the world, covering a market of over 1.3 billion people and a combined GDP of around \$3.4 trillion, thereby creating unprecedented opportunities to accelerate economic growth and transformation, foster regional integration and improve the lives of millions of Africans.



25. We must see the AfCFTA as more than just an economic integration initiative and a trade agenda; it is also a powerful symbol of Africa's unity and determination to chart its own path towards prosperity and represents a revolutionary paradigm shift in our approach to development, where innovation, collaboration and cooperation take center stage.
26. It signifies our commitment to breaking down borders, bridging divides and mobilizing the nations and peoples of Africa to aspire collectively and strive in unity towards a shared destiny.
27. By eliminating trade barriers, boosting intra-African trade, and promoting investment, the AfCFTA has established a conducive environment for commerce and industry to thrive, unleashed the entrepreneurial spirit of our people, and stimulated economic diversification and industrialization. It will enable African countries to capitalize on their comparative advantages and establish regional value chains essential for sustained economic development.
28. The AfCFTA is driving the emergence and definition of fresh global perspectives of Africa as a unified sociopolitical and economic entity and as a result, everybody, from statesmen and diplomats to investors and entrepreneurs is beginning to normalize a Pan-African track in their strategies, which shifts the scale and horizon of undertakings to a new paradigm.
29. The reverberations of AfCFTA are intense and have caused walls, barriers and obstacles to collapse and give way to bridges, ladders and pathways to opportunities to reverse the current trends in poverty, inequality and underdevelopment on our continent.



30. With a median age of 19, Africa is the world's youngest continent, that is growing younger every year. Millions of educated and motivated young people stand in need of meaningful employment. A life of poverty in the midst of all the evident, untapped potential is totally unacceptable for them. AfCFTA gives us the opportunity to transform Africa's youth bulge from a ticking time bomb to a demographic dividend.
31. African countries have natural resources that are typically extracted and exported as raw materials for production abroad. Africa also has abundant renewable energy resources that are clean and green.
32. We are literally the zero-carbon factory of the world in waiting. We are not just waiting, but preparing eagerly for the opportunities to employ our youth, attract investment, grow manufacturing industrial potential and power the next phase of the global industrial revolution.
33. Even as our governments, corporations and individual entrepreneurs engage with the tremendous opportunities arising out of our continent's vast potential, it is important for forums like this to lead the way in continuously developing, refining and providing high quality, evidence-based and data-driven analyses, strategies, policies as well as other varieties of essential knowledge and insights that enable both public and private sector leaderships to make smart choices and take sound decisions in order to initiate and sustain ambitious transformation on a continental scale.
34. In other words, we are not going to take chances with this unprecedented moment in the history of global development. Rather, we are investing in, and supporting the development of





relevant strategic, analytical and advisory bandwidth to make sure that our public and private sectors enjoy sustainable access to the best intellectual capacity and resources available as they formulate policies and strategies and set out to succeed in a brave new world.

35. This is how I contextualize the launch of the AfCFTA Policy and Development Centre, which signifies Kenya's readiness to support Africa's transformation through robust complementary activity in the academic and scholarly sector. While the role of such an institution is fairly straightforward, its critical importance will continue to manifest itself as Africa coheres into a fully-fledged political and economic global player of tremendous strategic significance.
36. It is good to start early; Wole Soyinka, our foremost African elder admonishes that You Must Set Forth at Dawn, and our young people here paraphrase him: **mapema ndio best.**
37. Even as we behold the magnitude of Pan-African integration, we must also undertake domestic transformation not only to drive rapid economic growth but also to create sustainable local capacity to exploit every emerging opportunity at the regional and continental level.
38. I want to persuade you, therefore, that our bottom-up economic transformation agenda is both a coherent stand-alone, self-sufficient plan for unlocking opportunities in Kenya to drive unprecedented economic development and also a mechanism to enhance our national capacity to participate meaningfully in pan-African investment, commerce, trade and industry. We want to be ready to work, invest, manufacture and trade at every level in every sector throughout our continent.



39. We understand Pan-African integration in the form of the AfCFTA and the Agenda 2063 as perfectly aligned extensions of our bottom-up economic transformation agenda. And we are involved in it 100%.
40. Earlier this year in February during the Ordinary Assembly of Heads of State and Government, we adopted 'Accelerating the implementation of the AfCFTA' as the overarching theme for the year. I am delighted by the great momentum to rally and establish key institutions that will enhance the implementation of AfCFTA.
41. It also encouraging to learn that an important facility, the AfCFTA's Adjustment Fund Corporation has already been launched and is domiciled in Kigali-Rwanda and here today, we are launching one of the most critical institutions that will significantly catalyze the implementation of the AfCFTA, The AfCFTA Policy and Development Centre.
42. We recognize the importance of policy development in driving the success of the AfCFTA. It is through strategic, well-crafted policies that we can create an enabling environment for businesses to thrive, facilitate investment flows and promote fair and equitable trade practices. The role of the Centre will be instrumental in this regard, providing a platform for research, analysis and evidence-based policymaking.
43. As we embark on this journey, it is essential to acknowledge and keenly examine and attend to the challenges that lie ahead. To begin with, we must tackle issues related to infrastructure development, regulatory harmonization, human capital development and the facilitation of cross-border trade.



44. According to the African Development Bank, Africa needs to invest about \$130-170 billion annually in infrastructure for the next decade.
45. The AfCFTA will serve as a catalyst for these investments, since improved transport, energy and digital connectivity will significantly reduce trade costs and increase efficiency.
46. To support this agenda, I see a major role for the AfCFTA Policy and Development Centre in terms of designing sustainable investment models and public-private sector arrangements that effectively engage stakeholders, governments and regional economic communities to develop effective policies that drive inclusive and sustainable development.
47. Secondly, it is essential for us to sustain skills development and promote continuous learning as a strategic priority throughout Africa. Africa's youth population is projected to increase exponentially to 1.7 billion in 2030 and 3 billion in 2063.
48. I am convinced beyond any doubt that the youth are our future and our greatest gift. By investing in education, vocational training and research and development, we can unlock the innovative potential of our youth, equip them with the necessary skills for the future, and keep them at the forefront of Africa's economic transformation.
49. Furthermore, it is imperative that we foster a categorically pro-business environment, characterized by transparent and predictable regulations, robust legal frameworks, and protection of intellectual property rights. This will attract foreign direct investment, encourage local entrepreneurship, incubate innovation and promote responsible business practices that create quality jobs and contribute to sustainable development.



50. I believe that the launch of the AfCFTA Policy and Development Centre represents a pivotal moment in Africa's development journey. It provides a platform for us to work together in a borderless, cross-sectoral, multidisciplinary and inclusive manner to build a prosperous future, in which Africa is a globally competitive driver of the world economy.

**Thank you.**

**God Bless you.**

