



African Expt  
Banque Afric



## **Communique of the 2nd African Sub-Sovereign**

### **Governments Network, Abuja, Nigeria, 30 September 2022**

**WE, the Network of African Sub-Sovereign Governments**, having attended the 2<sup>nd</sup> African Sub-Sovereign Governments Network (AfSNET) Conference jointly convened by the Nigeria Governors' Forum (NGF) and the African Export-Import Bank (Afreximbank), under the theme “African Sub-Sovereign Governments Network-Championing Africa’s Development”;

**ACKNOWLEDGING** that African sub-sovereign authorities and economies have a critical role to play in expanding, growing, and deepening intra-African trade, investment and industrialisation, thus contributing to the continent's overall economic development and integration;

**APPRECIATING** Afreximbank for setting up AfSNET as a platform to facilitate the implementation of the African Continental Free Trade Area (AfCFTA) to promote trade, investment and industrialisation among African sub-sovereign governments with a view to improve inter and intra-regional trade on the continent and creating a platform for public-private sector collaboration, enhanced regional integration and peer learning;

**RECOGNISING** the immense opportunities for cooperation and collaboration AfSNET will provide, the conference welcomes and appreciates the suite of finance and trade facilitation products, programmes, and initiatives being provided by Afreximbank to facilitate intra-African trade, investment, industrialisation and integration under the AfCFTA at the sub-sovereign level.

#### **Emphasising that:**

- i. AfSNET will serve as a mechanism dedicated to promoting dialogue, cooperation, and collaboration among sub-sovereign governments regarding intra-African trade, investment, industrialisation and development.
- ii. There is need for sub-sovereign governments to institute local AfCFTA implementation mechanisms, including relevant policies for the smooth implementation of AfCFTA protocols.
- iii. Developing critical trade enabling physical infrastructure (hard and soft) such as rail, roads, maritime, air, and power, is key to promoting intra-African trade and industrialisation.
- iv. Awareness creation of the potential trade and investment opportunities across Africa can enhance collaboration and trade within the continent.
- v. Developing the technical capacities of our people, particularly those of Micro, Small, and Medium Enterprises (MSMEs), will boost competitiveness and their integration into the intra-African trade value chain.
- vi. Removing tariff and non-tariff trade barriers (including difficulties in securing visas and travelling within the continent) is critical to fostering the movement of goods and services across the continent.
- vii. Directing policies on quick wins and areas where sub-sovereign governments have competitive advantage can help build the early momentum required to optimise opportunities under AfCFTA.



**HAVING RESOLVED** that:

- (A) AfSNET will provide a platform that ensures broad participation of various stakeholders in sub-sovereign governments, including the private sector, MSMEs, women and youth in AfCFTA and increasing grass-root interconnections and involvement through the provision of access to trade and investment information, sharing ideas, knowledge and skills with the ultimate objective of deepening regional economic integration.
- (B) AfSNET will strengthen sub-sovereign governance across the continent as a sound basis for economic development, including intra-African trade and investment, and enable Africa to add value to its commodities and reduce over-reliance on the export of primary commodities and the risks of reliance on global value chains.
- (C) The members of AfSNET have a crucial role in increasing economic integration and building the resilience of African economies against the vagaries of a global economy subject to fluctuations.
- (D) There is a need to put in place a Governance and Institutional Framework to strengthen the impact and sustainability of AfSNET, and its ability to achieve its set goals and objectives in an accountable, transparent, and efficient manner.

**AGREED**

- A. On the objectives of AfSNET, which include the following:
  - i. **To assist** African sub-sovereign governments to participate effectively in the AfCFTA with a view towards promoting an integrated African economic market and achieving the objectives of the AU Agenda 2063.
  - ii. **To use** the Network to enhance human, technical, financial, and institutional capacities to support the participation of sub-sovereign economies and authorities in intra-African trade and investment.
  - iii. **To provide** a platform for sharing ideas, skills, knowledge, and peer learning for the benefit of intra-African trade and investment across sub-sovereign governments.
  - iv. **To promote** the building of trade carrying/enabling infrastructure (soft and hard) and capacities to facilitate intra-African trade and economic integration.
  - v. **To provide** a platform for exchanges on existing financing instruments in the form of financial products, programmes and initiatives for trade financing, facilitation, and technical assistance to sustain the initiative.
  - vi. **To enhance** the role of export trading companies and other catalysts for cross-border trade.
  - vii. **To generate** opportunities for strengthening intra-African trade and investment that stretch into the African diaspora that is designated as the sixth region of the African Union.
- B. The vision and objectives of AfSNET will be institutionalised and operationalised under the Forum of Regions of Africa (FORAF) and the parties will explore closer relationship between FORAF and the AfCFTA Secretariat. To this end, the Governance and Institutional framework for AfSNET will be finalised in consultation with the United Cities and Local Governments of Africa, the Forum for the Regions of Africa, the Nigeria Governors' Forum, and other relevant stakeholders, based on the following core principles:
  - i. Effectiveness in meeting the objectives of AfSNET
  - ii. Ownership and long-term sustainability and impact



African Export  
Banque Africain



- iii. Integration with existing frameworks promoting the agenda of sub-sovereign governments across Africa
  - iv. Operational efficiency and effectiveness
- C. To continue to:
- i. Explore continental growth opportunities that could be harnessed to promote industrialisation and export growth
  - ii. Improve intra-regional logistics through cooperation across a range of areas, including border markets, standards, storage facilities, and trade enabling infrastructure
  - iii. Deepen industrialisation by developing regional and continental value chains
  - iv. Identify trade and investment opportunities among sub-sovereign economies
  - v. Lower barriers to entry by improving the business environment in our respective regions
  - vi. Explore innovative finance solutions essential to the development of the continent, including access to export credit and credit insurance critical to participation in regional and global value chains.

**We commit** to mobilise exhibitors and delegates to participate in the Intra-African Trade Fair (IATF2023), to be hosted by Cote d'Ivoire, scheduled to take place from 21-27 November 2023.

In conclusion, Governors expressed great appreciation to His Excellency, Muhammadu Buhari GCFR, President of the Federal Republic of Nigeria, for gracing the conference with his presence and for supporting AfsNET.

The Nigeria Governors' Forum also thanked all the Heads of Governments and their representatives as well as delegates for their participation and contribution to the success of the Conference. They also appreciated the support that was provided by Afreximbank in conceptualising AfsNET and facilitating the organisation of the Second Conference in collaboration with the Nigeria Governors' Forum.

Participants also expressed their appreciation to the Government of the Federal Republic of Nigeria for the hospitality and the courtesies that they received, which ensured the success of the conference.

**Adopted on this 30<sup>th</sup> day of September, 2022 at Abuja, Nigeria**