



**REPUBLIC OF MALAWI**

**INTERVENTION TO BE DELIVERED BY  
HONOURABLE SOSTEN GWENGWE, M.P.,  
MINISTER OF TRADE**

**DURING SESSION FIVE OF THE AFRICA REGIONAL REVIEW  
MEETING ON THE THEME “*ENHANCING EXTERNAL TRADE,  
BUILDING AND MAINTAINING RESILIENT INFRASTRUCTURE  
AND PROMOTING REGIONAL INTEGRATION IN AFRICAN LDCs*”**

**24<sup>TH</sup> FEBRUARY, 2021**

MINISTRY OF FOREIGN AFFAIRS  
LILONGWE 3

**Honourable Ministers;**

**Distinguished Delegates;**

**Ladies and Gentlemen.**

As we are striving to build a strong and sustainable future, the COVID-19 Pandemic presents a major obstacle in our quest to attain a favourable and competitive trading environment. The pandemic has in fact reversed some of our hard-won development gains and ability to attain more. COVID-19 restrictions and measures, such as lockdowns, have slowed down economic activities. Production networks, supply chains and consumer spending have been disrupted, thereby affecting income flows.

We urge Governments to come up with recovery measures to build back better. There is need to build resilient economies in order not to miss the goals of the 2030 Agenda for Sustainable Development and Agenda 2063.

This meeting is being convened at an opportune time when the need for regional integration and enhancement of external trade cannot be over emphasised. The African Continental Free Trade Area Agreement (AfCFTA) demonstrates the eagerness by our Governments to utilise regional integration as a tool for achieving favourable trade conditions and shared economic prosperity through structural transformation at continental level.

The AfCFTA aims to boost intra-African trade by making Africa a single market of 1.2 billion people with a cumulative GDP of over \$3.4 trillion. It is projected that implementation of the agreement

will increase intra-African trade by 52% by 2022 (compared with trade levels in 2010) and double the share of intra-African trade (currently around 13% of Africa's exports) by the start of the next decade. Successful implementation of the AfCFTA presents great opportunity for LDCs to attain their development aspirations.

For us to attain the desired structural transformation, some fundamental factors ought to be met. Firstly, infrastructure remains a key constraint and challenge for LDCs in Africa. This has negatively affected cost of doing business and the competitiveness of African LDCs and Haiti. Investment in infrastructure can serve as a foundation for economic development and growth. Building sustainable infrastructure will help ensure delivery of development benefits over a long term.

External trade is another key mechanism, which can accelerate development and graduation of African LDCs by among other things, widening our revenue bases and creating employment. Some of the ways to attain this include: development of regional and global value chains; negotiating for preferential rules of origin; and full adoption of e-trade as a tool for accessing global markets.

We need to draw our attention to the above issues as we discuss how to enhance trade, build and maintain resilient infrastructure and promote regional integration in African LDCs. There are many opportunities and challenges which we need to capitalise on and deal with respectively, to accelerate development in our countries.

Let me thank the United Nations for organizing this important review meeting despite challenges posed by the COVID-19 pandemic. I also look forward to hearing your contributions and charting together the next steps forward in order to strengthen the global partnership and most importantly address the development challenges in the LDCs.

**I thank you for your attention.**