

Pakistan aims to double trade with Africa in five years

ISLAMABAD: Pakistan aims to boost its trade with Africa more than two-fold by 2025, and the country is also looking at possibilities of reaching free trade agreements with the continental, an advisor said on Thursday.

Abdul Razak Dawood, adviser to Prime Minister on commerce, industries, and investment said Pakistan is open to discuss all proposals from African nations “at bilateral and multilateral level”.

“We are already in touch SACU, ECOWAS and EAC to negotiate trade agreements and also plan to take advantage of the opportunities that exists under the African Continental Free Trade Agreement (FTA),” Dawood said at a Pakistan-Africa Trade Development Conference held in Kenyan capital Nairobi.

The advisor said Pakistan is taking active measures like appointing commercial envoys in the potential countries to strike deeper economic ties with the continent. “We are opening six new trade wings at our embassies in African countries including Algeria, Egypt, Ethiopia, Senegal, Sudan, and Tanzania. This has increased the number to 10, while they would also be granted accreditations to cover the whole continent,” Dawood said

“... the time has come to unlock the true potential of our trade relations and in this regard connectivity is the key to socio-economic development.” Dawood said trade volume between Pakistan and Africa has been far below potential, which needs to be increased

Pakistan’s trade with Africa has remained stagnant at \$3 billion/year from 2012-13 to 2016-17, which has increased to \$4.6 billion in 2018-19. Pakistan’s share in total trade of African countries is 0.4 percent. “... reduction in tariff and non-tariff trade barriers by both side, is also necessary, as it acts as a catalyst for accelerated growth in bilateral trade,” the advisor said.

Razak said the ministry of commerce has formulated the ‘Look Africa Policy Initiative’, which had already been put into motion and was reflective of our broader policy towards Africa. “We need to exchange more manufactured and processed goods, have more knowledge transfer, and create more value,” he added.

“Both sides need to accelerate export diversification and product sophistication and make our trade more inclusive,” he said.

Dawood said it would enable both the trading partners to shift from over-dependence on commodities to higher-value-added products and services and also build resilience to movements in demand and help fetch better prices.

“This is the fastest path to economic growth, job creation, and poverty reduction,” he added. Dawood said Pakistan can supply rice, engineering goods, electrical appliances, textiles, apparel, pharmaceuticals, sports goods, surgical instruments, cutlery, furniture and many more products. Similarly, Pakistan can be a good market for supply by the African exporters.