

THE AFRICAN CONTINENTAL FREE TRADE AREA (AfCFTA) SECRETARIAT AND EQUITY GROUP CEMENT A PARTNERSHIP TO DEEPEN ECONOMIC INTEGRATION OF THE AFRICAN CONTINENT



18th July 2022.... At the margins of the 41st Ordinary Session of the Executive Council of the African Union taking place in Lusaka, Zambia, the African Continental Free Trade Area (AfCFTA) Secretariat and Equity Group have signed a Memorandum of Understanding to deepen the economic integration of the African continent.

The partnership seeks to implement the AfCFTA Agreement and the AfCFTA Private Sector Strategy through the *'Africa Recovery and Resilience Plan'*, which focuses on acceleration of economic recovery and resilience in Africa, in a post-COVID 19 environment. The initiative is designed to showcase a framework for socio-economic transformation for the people of the African continent based on 6 integrated pillars aimed at catalysing a natural resources-led transformation of Africa, enhancing agriculture output, formalising extractive value chains, and connecting these primary sectors to global supply chains that are broken and require diversification and secured sourcing.

The two institutions will work on the private sector economic recovery and resilience stimulus plan, which Equity has seeded with a USD 6 Billion fund focusing on the primary sectors of food and agriculture, extractives, manufacturing and logistics, trade and investments, social impact, health and environmental investments, as well as a technology enabled economy to accelerate economic recovery and resilience of the African continent. The partnership will among others, support the creation of 50 million jobs by 2025 and 5 million SMEs will receive loans to scale and grow, utilising tools of the AfCFTA Agreement and create additional private sector lending with an envisaged loan book to be directed to agriculture (30%), manufacturing (15%), MSMEs (65%). As the continent's technical interface with Africa's development stakeholders and development partners for realisation of accelerated regional integration, the African Union Development Agency-New Partnership for Africa's Development (AUDA-NEPAD) will collaborate with the institutions through various means, including project financing, trade enhancement and fund mobilisation.



During the signing of the MOU, H.E. Wamkele Mene, Secretary-General of the AfCFTA Secretariat noted that “The AfCFTA will ensure the continent is well positioned to overcome crises such as COVID-19 leveraging on the framework of the AfCFTA Agreement. Our partnership with the Equity Group is a valuable intervention for the African Continent, whereby we acknowledge that trade is going to enable our continent to accelerate economic recovery. With AUDA-NEPAD, we will also be able to deliver on our respective mandates through complementarity of our expertise, skills, purpose and vision, by taking special consideration of the interests of micro-, small, and medium-sized enterprises, women-owned businesses, workers, and youth.”

Dr. James Mwangi, Equity Group Managing Director and CEO said, “Today’s signing with the African Continental Free Trade Area Secretariat is a significant moment for recovery and resilience of the African continent and for the creation of wealth for our people. The growth opportunities which the AfCFTA Agreement affords SMEs are unparalleled, making trade and cross-border scaling a possibility for all eligible and interested businesses. Equity Group Foundation, provides opportunities to transform lives and livelihoods and capacity building along six pillars which include Education and Leadership Development, Health, Food and Agriculture, Energy and the Environment, Financial Inclusion and Enterprise Development, and Social Protections which serve to leave no one behind in the recovery and resilience of the African continent” said Dr. Mwangi.

About the African Continental Free Trade Area (AfCFTA)

The African Continental Free Trade Area (AfCFTA) is one of the flagship projects of Agenda 2063: The Africa We Want and entered into force on 30 May 2019. It is a high ambition trade agreement, which aims to bring together all 55 member states of the African Union, covering a market of more than 1.3 billion people, with a comprehensive scope that includes critical areas of Africa’s economy, such as digital trade and investment protection, amongst other areas. By eliminating barriers to trade in Africa, the objective of the AfCFTA is to significantly boost intra-Africa trade, particularly trade in value-added production and trade across all services sectors of Africa’s economy, at a potential of 52.3 percent.

For more info: <https://au-afcfta.org>

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About Equity Group

Equity Group Holdings Plc. is a Pan-African financial services holding company listed at the Nairobi Securities Exchange, Uganda Securities Exchange, and Rwanda Stock Exchange with banking subsidiaries in Kenya, DRC, Rwanda, Uganda, Tanzania, South Sudan, and a Commercial Representative office in Ethiopia. It has other subsidiaries in investment banking, insurance, telecom, fintech and social impact investments. Equity Group is the largest financial services institution in the region with assets of Kshs 1.35 trillion (USD 13.5 billion). It is also the biggest bank in deposits, market capitalization of USD 2 Billion and with a customer base of over 16.4million customers.

For more info: www.equitygroup Holdings.com | www.equitygroupfoundation.com