

Concept Note

Multi-stakeholder Workshop:

[Trade in Services in Africa](#)

*Jointly Organized by the United Nations Conference on Trade and Development (UNCTAD) and the
United Nations Economic Commission for Africa (UNECA)*

24 and 25 November 2021

[Venue: Nairobi, Kenya \(Hybrid meeting\)](#)

1. Context and justification

The world faces multiple socio-economic challenges resulting from the COVID-19 pandemic. It has revealed extreme vulnerabilities of African economies, and especially the services sector to global markets. The impacts of COVID-19 have also taught us the importance of having a more digitally dynamic services sector which is better integrated into regional markets.

The services sector offers opportunities for the diversification of production and trade as an industry, or as enabler of growth and diversification in related sectors. Services such as transport, financial services, information and communications services, and energy services are characterized by their own value chains. They are also key contributors to other productive economic sectors. Moreover, the increasing servicification¹ of the economies worldwide implies that services are now an important piece of the development puzzle. The economic performance of African economies is increasingly driven by the services sector – services value added represented more than 50 per cent of Africa’s GDP over the past two decades according to data from UNCTADStat. However, a main concern for services-led growth in Africa is that services-sector employment in most economies is neither technologically dynamic, nor its output tradeable.² Yet, there are indications that some African countries and regions have been able to develop services that are relatively dynamic, and well-integrated into regional and global value chains in sectors such as banking, air transport and telecoms.³

However, unlocking the full potential of Africa’s services sector implies that its contribution to economic performance and linkages to the productive sectors are fully understood to support timely policy-making process. This is very important, in particular at a time when the continent has embarked on the liberalization of its services sector under the African Continental Free Trade Area (AfCFTA). A major challenge that remains for African countries is how better assess the contribution of the services sectors to the economy and fully capture their linkages to global and

¹ ‘‘Servicification’’ is used to denote the fact that all productive sectors are increasingly relying on services as inputs, activities within firms or as output of production systems.

² Rodrik, D. 2015. *Premature Deindustrialization*. Princeton, NJ: Institute for Advanced Study, School of Social Science.

³ UNCTAD (2015) *Economic Development in Africa Report 2015 - Unlocking the Potential of Africa’s Services Trade for Growth and Development*(UNCTAD/ALDC/AFRICA/2015)

regional value chains. This entails **addressing constraints related to data gaps on services and strengthening capacities at national and regional levels to measure the value added generated by services sectors with a view to supporting policy-making processes.**

This is the overarching goal of a technical assistance programme jointly designed and implemented by the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Economic Commission for Africa (UNECA). Over the period 2018-2021, and under a project funded by the UN Development Account, the two institutions have been piloting the programme in six African countries, covering three services sectors (transport services for Ethiopia and Kenya; tourism services for The Gambia and Mali; and financial services for Nigeria and Togo). The project aims at strengthening capacities to measure the value added that is generated by the selected services sectors and supporting policy frameworks to maximize their contribution to national and regional value chains. Under the scope of the projects, support has been provided to the beneficiary countries to assess the impacts of COVID-19 on targeted services sectors and identify policy options to build resilience.

The scope of the project also includes the identification of best practices and the sharing of lessons learned as pilot countries apply the methodology developed to quantify and analyse specific services value chains. In this regard, UNCTAD and UNECA are convening a multi-stakeholder workshop on Trade in Services scheduled to take place on 24 and 25 November 2021 in Nairobi, Kenya.

2. Objectives and expectations of the workshop:

a. General and specific objectives

The overall objective of the multi-stakeholder workshop is to share experiences and lessons learnt, as well as emerging best practices, in quantifying the contribution of targeted services sectors to national and regional value chains, and to support services trade policy making in the project countries.

The specific objectives are to:



- Put Africa's services sector into perspective within the AfCFTA and post-COVID-19 context.
- Share challenges and opportunities emanating from data collection exercises on trade in services in each of the project countries;
- Discuss the outcomes of the quantification exercises of services value chains in each of the project countries;
- Discuss policy options that could be considered at regional and national levels to unlock the potential of the selected services sector under the framework of the project (i.e. tourism, transport and financial services);
- Collect relevant materials and analysis to be compiled into a guidebook.

b. Expectations

At the end of the seminar, participants are expected to:

- Have a better understanding of challenges related to data gaps in Africa's services sector and necessary means to address them;
- Have built upon lessons learnt and experiences in quantifying target services value chains in the project countries to support similar exercises in other sectors and countries;
- Have discussed the sectoral impacts of COVID-19 and policy responses that contribute to building resilience in the project countries; and,
- Be trained to utilize appropriate tools and have acquired the knowledge necessary to support policy making in services value chains.

3. Participants

The Workshop will be attended by policy makers and experts from member States, Regional Economic Communities, the private sector, academia and development institutions with

an interest in regional integration issues, and in particular the services sector. National participants will be invited from both project beneficiary and non-beneficiary countries to facilitate experience sharing.

4. Organizational Arrangements

- **Date and Venue of the Meeting**

The workshop will take place on 24 and 25 November 2021 in a Nairobi Hotel under hybrid modalities, that is both physically and virtually.

- **Documentation**

Relevant documents, including an annotated agenda, logistical note and background documents will be shared with participants in electronic format once the latter confirm their participation in the workshop.

- **Logistics**

Depending on the restrictions related to the COVID-19 pandemic, UNCTAD and UNECA will sponsor the participants attending the workshop. Round trip economy class air tickets and a daily subsistence allowance (DSA) according to United Nations rules and regulations will be provided to all experts travelling from outside Kenya. Local participants will be provided with a local per diem, according to UN rules and regulations.

- **Working languages**

The working languages of the workshop will be English and French, with simultaneous interpretation provided between the two languages. Documentation will either be presented in English or French.

- **Contacts**



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