



Overview of Professional Services and Roles of Professional Associations in Implementation of African Continental Free Trade Area (AfCFTA)

By

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PRESENTATION OUTLINE

1. Introduction on AfCFTA (African Continental Free Trade Area)
2. Compatibility with WTO (World Trade Organization) rules
3. Trade in Goods
4. Trade in Intellectual Property Rights
5. Trade in Services
6. Conclusion and way forward

AFRICAN CONTINENTAL FREE TRADE AREA (AfCFTA)

- This is a free trade area comprising the 55 countries in Africa.
- It was established in 2018
- Other regional free trade areas include EAC, COMESA, SADC, ECOWAS and many more.
- AfCFTA represents a population of about 1.3 billion people with diverse configuration.

AfCFTA

Objectives include:

1. To create a single market for goods, services, facilitated by movement of persons in order to deepen economic integration in African Continent.
2. To create a liberalized market in Africa for goods and services through rounds of trade negotiations.
3. To lay foundation for establishment of a continental customs union at a later stage and many more.

SPECIFIC ACTIONS TO REALIZE THE THREE OBJECTIVE ABOVE

1. Progressively eliminate tariffs and non-tariff barriers to trade in goods.
2. Progressively liberalize trade in services
3. Cooperate on investment, intellectual property rights and competition policies.
4. Cooperate on all trade related issues that concern Africa and rest of the world.
5. Cooperate on customs matters and implementation of trade measures.
6. Establish a mechanism for the settlement of disputes concerning their rights and obligations for Member states.

COMPATIBILITY WITH WTO

1. General agreement on tariffs and trade (GATT) formed in 1947 (Post World War II)
2. Uruguay round (1986-1994) which covered trade subjects of tariffs, non-tariff measures, rules, services, intellectual property rights, dispute settlement, textiles, agriculture and concluded by creation of WTO (World Trade Organization) in 1995.

AGREEMENTS ON TRADE IN GOODS

- Agreement on Agriculture
- Agreement on application of Sanitary and Phytosanitary Measures.
- Agreement on Technical Barriers to Trade
- Agreement on Pre-shipment Inspections
- Agreement on Rules of Origin
- Agreements on Subsidies and Safeguard Measures.

AGREEMENT ON TRIPS

Trade related aspect of intellectual property rights.

1. Copyright and related rights;

- Protection of expressions and not ideas.
- Authors (after 50 years from death)
- Music, broadcasting recording etc.

2. Trademarks

- Protection of signs or any combination of signs capable of distinguishing the goods or services of one another.

3. Geographical indications

- a. Wines and spirits, cognac brands
- b. Tangerine tea

AGREEMENT ON TRIPS Contd'

4. Industrial designs
5. Patents on Medicines
6. Undisclosed information e.g. Coca Cola

GENERAL AGREEMENT ON TRADE IN SERVICES (GATS)

DEFINITION OF EXPORT IN SERVICES

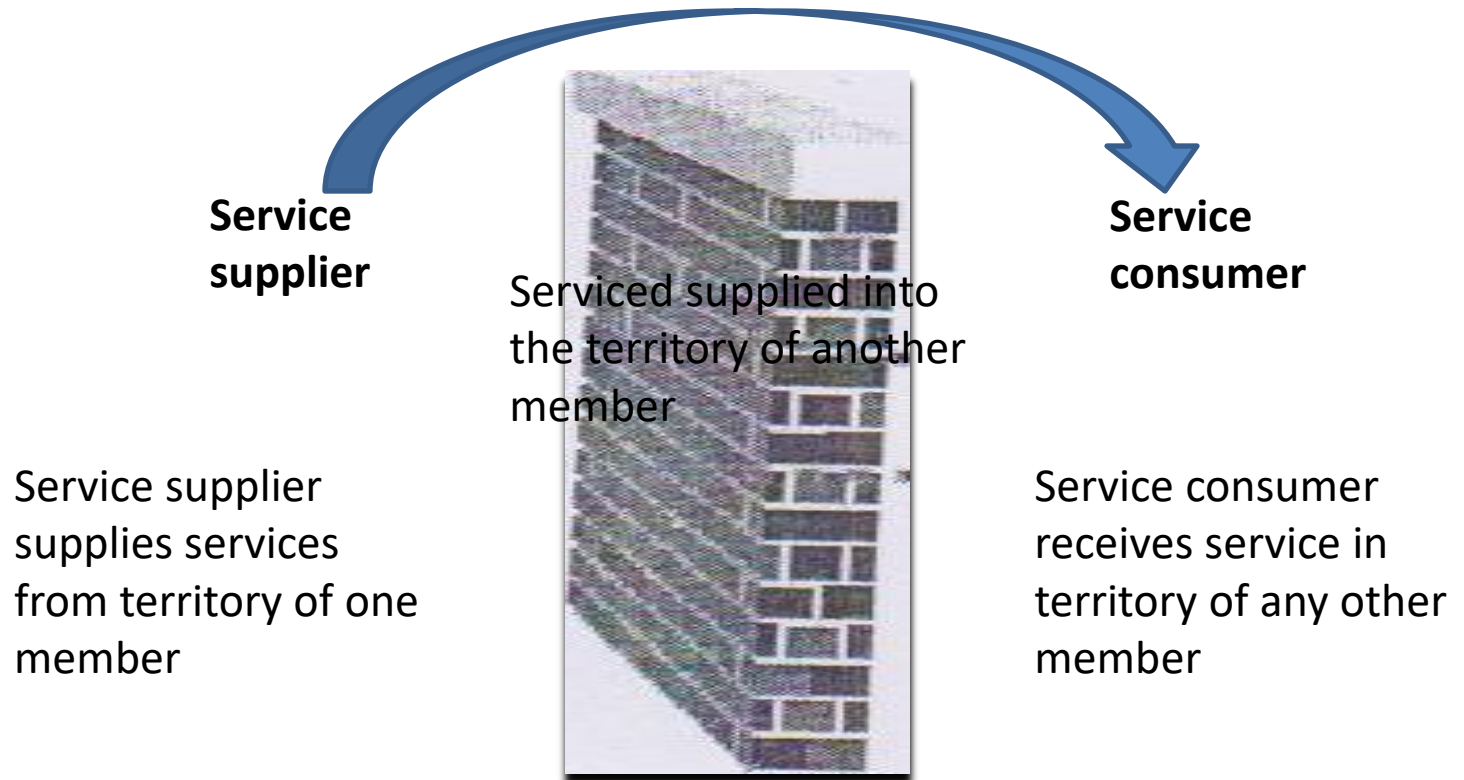
- **General Agreement on Trade in Services (GATS) Article 2.**

For the purpose of this agreement, trade in services is defined as the **supply of a service:**

- a. From the territory of one Member into the territory of any other Member (**mode 1**)
- b. In the territory of one member to the services consumer of any other Member (**mode 2**)
- c. By a service supplier of one member, through commercial presence in the territory of any other Member (**mode 3**).
- d. By a service supplier of one Member, through presence of **natural persons** of a Member in the territory of any other Member (**mode 4**).

MODES OF SUPPLY

MODE 1



“cross-border supply” of services (or “mode 1”) e.g. services provided through the telecommunications or postal infrastructure, tele-medicine, distance training/learning etc.

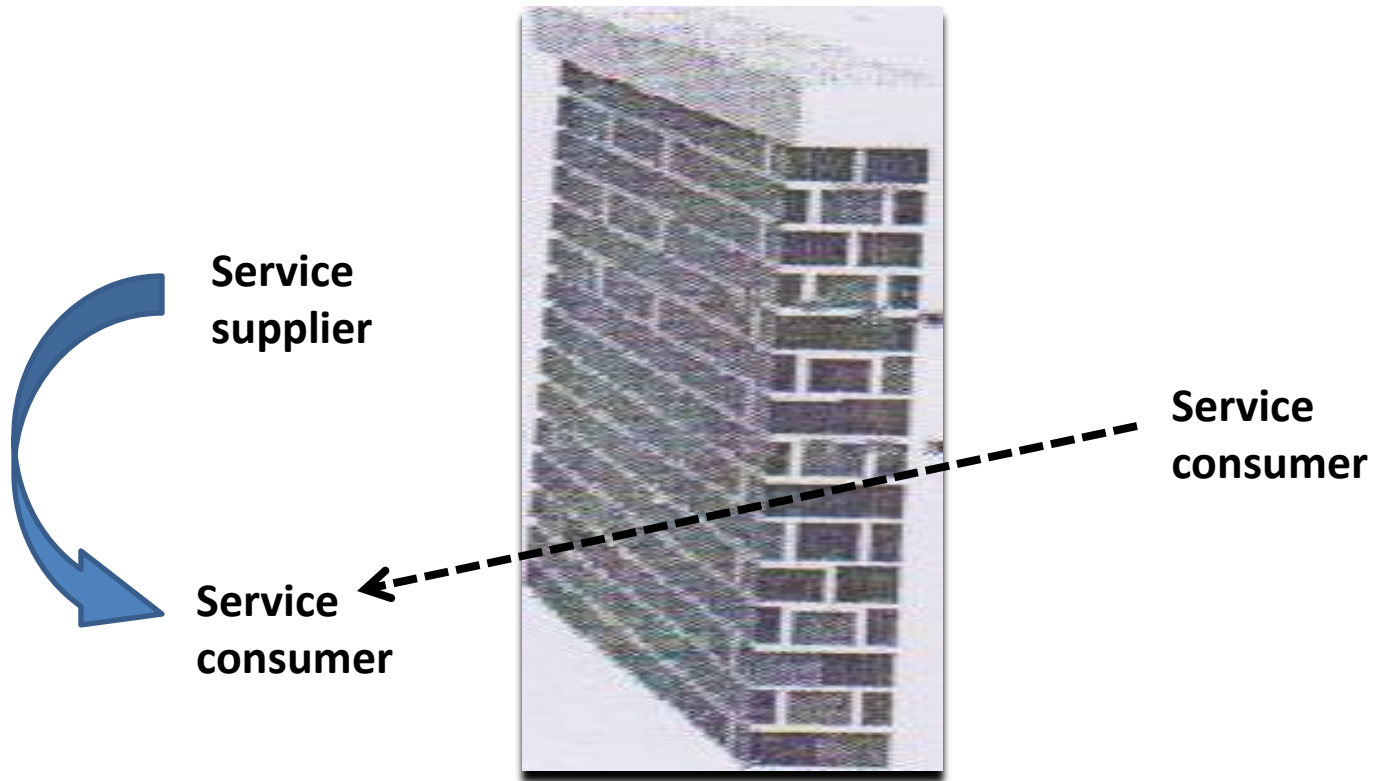
MODE 1 - CROSS-BORDER

Here the services crosses the border, independent of the supplier or consumer, examples include services provide through the telecommunications or postal infrastructure, such as consulting or market research reports, tele-medicines and distance training/learning.

MODE 2

Service supplied in territory of one member to the service consumer of another member

Service Supplier supplies Services in territory of one member



“consumption abroad” (or “mode 2”) e.g.

MODE 2- CONSUMPTION ABROAD

The consumer crosses the border and so is a non-resident in the country where the service is consumed.

Examples include hotel or restaurant services for non-residents, tourism, medical (Kenyan travel to India for medical services).

Training programmes for foreign students and health services provided to non-residents.

MODE 3

Service supplier establishes a commercial presence in the territory of another member

Any type of business or professional establishment

Service supplier



Service consumer



Service supplied through commercial presence

“commercial presence” (or “mode 3”)

MODE 3 - COMMERCIAL PRESENCE

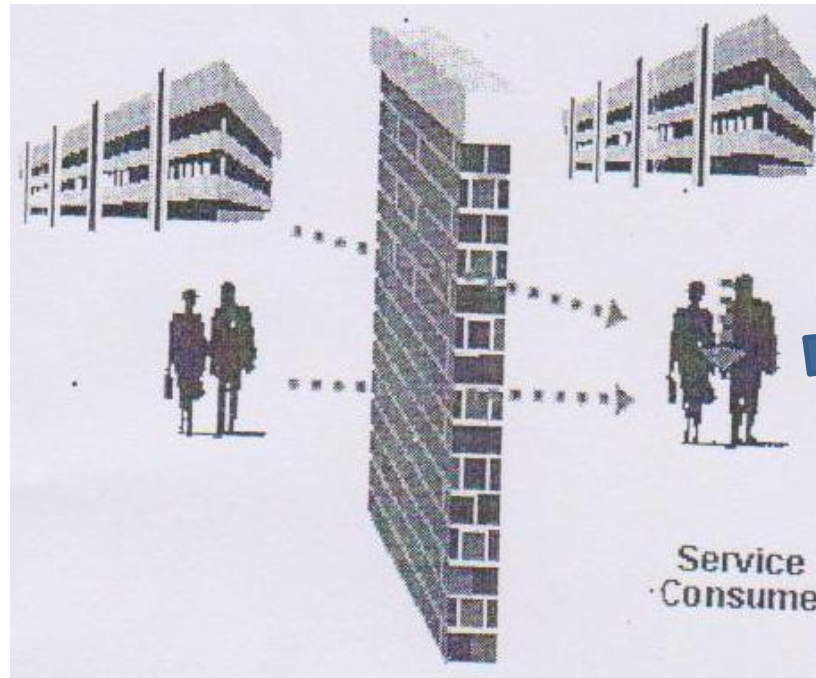
The Supplier of a service is a locally established affiliate,

Mainly a subsidiary or representative office of a non-resident service supplier, which may employ local personnel, be incorporated under local laws and many more.

While the actual service provision is by a 'resident' the investor is of foreign origin (Foreign Direct Investment).

Examples include local offices of multinational services firms and offices for infrastructure projects

MODE 4



Service supplied through presence of natural persons of a member in territory of another member

“presence of natural persons” (or “mode 4”)

MODE 4 MOVEMENT OF NATURAL PERSONS

In this circumstance the supplier of the service is in the country on a temporary basis to supply service and so remains a non-resident. Does not become a citizen.

Mainly temporary work permits.

Examples include independent services suppliers (e.g. Individual consultants, health workers) or employees of a services supplier organization.

TWELVE BROAD GATS SERVICES SECTORAL CLASSIFICATION

LIST

1. Business services
2. Communications services
3. Construction and related engineering services
4. Education services
5. Distribution services
6. Environmental services
7. Financial services – (Banking and Insurance services)
8. Health related and social services
9. Tourism and travel related services
10. Recreational, cultural and sporting services
11. Transport services
12. Other services not included elsewhere

source; ([www](http://www.apsea.org)  **APSEA**)

GATS (List of Professional Services)

a) Legal services	861
b) Accounting, auditing and book keeping	862
c) Taxation services	863
d) Architectural services	8671
e) Engineering services	8672
f) Integrated engineering services	8673
g) Urban planning and landscape	8674
h) Medical and dental services	9312
i) Veterinary services	932
j) Services provided by midwives, nurses, physiotherapists and paramedical personnel	93191

All the above services' providers are members of APSEA (Association of Professional Societies in East Africa)

www.apsea.or.ke



PROFESSIONAL SERVICES

- Association of Professional Societies in East Africa (APSEA) was started in 1961, that is 62 years ago. It has 32 Professional Associations as corporate members and over 500,000 individual members in Kenya. It is an umbrella body for professional associations in East Africa.
- Professional associations regulated by the act of parliament in Kenya are:

Association	ACTS UNDER WHICH LICENCED	LICENCING BODY
1. Architectural Association of Kenya-AAK	THE ARCHITECTS AND QUANTITY SURVEYORS ACT (CAP 525)	Board of Registration of Architects and Quantity Surveyors(BORAQS)Kenya
2. Association of Consulting Engineers of Kenya-ACEK	THE ENGINEERS REGISTRATION ACT (CAP 530)	Engineers Board of Kenya(EBK)
3. Chartered Institute of Arbitrators (Kenya Branch) (CIArb)	NO LICENCING INFORMATION	
4. Geological Society of Kenya-GSK	GEOLOGISTS REGISTRATION ACT,1993	Geologists Registration Board
5. Institute of Certified Investment and Financial Analysts-ICIFA	INVESTMENT AND FINANCIAL ANALYSTS ACT,2015.	Institute of Certified Investment and Financial Analysts (ICIFA)
6. Institute of Certified Public Accountants of Kenya-ICPAK	THE ACCOUNTANTS ACT(CAP 531)	ICPAK
7. Institute of Certified Secretaries -ICS	CERTIFIED PUBLIC SECRETARIES ACT (CAP 535)	The Registration of Certified Public Secretaries Board (RCPSB)
8. Institute of Clerks of Works of Kenya-ICWK	NO LICENCING ACT	



PROFESSIONAL SERVICES Contd'

9. Institute of Quantity Surveyors of Kenya-IQSK	THE ARCHITECTS AND QUANTITY SURVEYORS ACT (CAP 525)	Board of Registration of Architects and Quantity Surveyors(BORAQS)Kenya
10. Institution of Engineers of Kenya - IEK	THE ENGINEERS REGISTRATION ACT (CAP 530)	Engineers Board of Kenya(EBK)
11. Institution of Surveyors of Kenya-ISK	THE SURVEY ACT (CAP 299)	Land surveyors board
12. Insurance Institute of Kenya-IIK	NO LICENSING ACT	
13. Kenya Association of Radiologists-KAR	THE MEDICAL PRACTITIONERS AND DENTISTS ACT(CAP 253)	
14. Kenya Chemical Society-KCS	NO LICENSING ACT	
15. Kenya Dental Association-KDA	THE MEDICAL PRACTITIONERS AND DENTISTS ACT(CAP 253)	Kenya Medical Practitioners and dentists council
16. Kenya Institute of Bankers-KIB	NO LICENSING ACT	
17. Kenya Institute of Food Science and Technology-KIFST	NO LICENSING ACT	
18. Kenya Institute of Management-KIM	NO LICENSING ACT	
19. Kenya Institute of Planners-KIP	PHYSICAL PLANNERS REGISTRATION Act, (Cap no.3 of 1996)	The Physical Planners Registration Board /KIP
20. Kenya Institute of Supplies Management-KISM	SUPPLIES PRACTITIONERS MANAGEMENT ACT 2007	Kenya Institute of Supplies Management-KISM
21. Kenya Medical Association-KMA	THE MEDICAL PRACTITIONERS AND DENTISTS ACT(CAP 253)	Kenya Medical Practitioners and dentists council
22. Kenya Meteorological Society-KMS	NO LICENSING ACT	

PROFESSIONAL SERVICES Contd'

23. Kenya Society of Agricultural Professionals-KESAP	NO LICENSING ACT	
24. Kenya Society of Physiotherapists-KSP	THE PHYSIOTHERAPISTS ACT	Physiotherapy council of kenya
25. Kenya Veterinary Association-KVA	THE VETERENARY SURGEONS ACT(CAP 366)	Kenya Veterinary Board
26. Law Society of Kenya-LSK	THE ADVOCATES ACT(CAP 16)	Law Society of Kenya
27. Pharmaceutical Society of Kenya-PSK	THE PHARMACY AND POISONS ACT(CAP 244)	Pharmacy and Poison's board
28. Society of Radiography in Kenya-SORK	BILL UNDER DISCUSSION.	

BENEFITS OF TRADE IN SERVICES

1. Raises standards of living.
2. Ensures full employment of resources (Labour, Capital, entrepreneurships , etc)
3. Expands and supports production of goods (Agricultural and non Agricultural). Agreement on Agriculture (AOA) and Non-Agricultural Market Acces (NAMA)
4. Other benefits are political, economic, social, environmental advantages.
5. Increase Gross Domestic Products of countries which trade.
6. Assist in transfer of technology, Artificial Intelligence, Internet Of Things.
7. Foreign direct investments (**mode 3**)



*THANK YOU FOR YOUR UNDIVIDED
ATTENTION*

ANY QUESTIONS/COMMENTS?

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