

(c) Foreign Investment Promotion and Protection Agreements (FIPAs)[▽]

- Canada has a FIPA with South African and Egypt only. Combining the negotiation of TICAs and FIPAs with priority African trading partners moving towards good governance and democratic development will set the stage for the exponential expansion of Canadian-African trade in specific African countries and regions.

(d) Tax Treaties/Tax[▽] Incentives/Foreign Currency Repatriation

- Tax treaties are currently in force in: Algeria, Cameroon, Egypt, Ivory Coast, Kenya, Morocco, Nigeria, South Africa, Tanzania, Tunisia, Zambia and Zimbabwe.
- Tax treaties are currently either signed but not in force or under negotiation in: Senegal, Gabon, and Mauritius.
- As new markets emerge (e.g. Ghana, Uganda, Botswana, Namibia, Mali etc.), and Canada recognizes that specific African countries are opening up for business, tax treaties should be negotiated to ensure double taxation and any possible fiscal evasion are avoided.
- Tax incentives to encourage investment and exchange incentives to ensure the repatriation of foreign currency should be in place. The Government of Canada must take the lead to ensure this.

(e) Quotas/Trade Barriers

- The current Canadian trade barriers limit access by African companies, particularly those that are dominated by women (e.g. handicrafts, textiles etc.) to the Canadian market. The participants recommended the reduction or elimination of tariffs and quotas particularly on textiles. The participants recommended the Government of Canada determine on a country-by-country basis where Canadian tariffs and quotas are being detrimental particularly to sectors dominated by women. It is also important to reduce or eliminate tariffs and quotas in these sectors while at the same time providing incentives for Canadian companies to assist the local African businesses to provide value-added inputs to their products and services which will also assist Canadian companies to be in a position to utilize cheaper imports. Government programs in this area could include international development tax incentives for both adding value to improve the quality of African exports and encourage Canadian companies to import African products for sale or consumption.

(f) Free Trade in Southern Africa

- Free Trade in Southern Africa may be difficult given the situation in Zimbabwe. However, promotion of the Free Trade concept by Canada would provide Canadian companies using South Africa as a gateway to enter the other markets in Southern Africa. Free Trade in Southern Africa will encourage economies of scale creating competitive SADC-wide industries. This will lead to an increase in intra-regional trade and result in an increase in foreign investment to the region.

[▽] contribution from CAABWA's policy research