



STATE OF THE AFRICAN DIASPORA PARLIAMENT

PROGRAMMING LAW SOADPL005 ON INTERNATIONAL TRADE

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PREAMBLE

Africa has long been a place of trade and merchants.

Beyond the hunters and farmers, African merchants had very early developed their activities within the continent. In ancient times, they had established trade relations with Europe and used what became known as the gold route, which passed through Carthage. Swahili traders in eastern Africa travelled to the region known today as Arabia arriving by ships. In *The Book of Wonders*, Marco Polo mentions Zanzibar, a city populated by black Africans, with "great merchants", who sold Ivory and Ambergris. The Spice Route, which has existed for at least 4,000 years, ran along the Ethiopian coast, the Gulf countries, and as far as India. In 1415, a delegation from the city of Malindi, Kenya, arrived in Beijing, bringing a giraffe as a gift.

Certain groups of people, in particular, were known for their talent in this field. In El Mina, Ghana, the Jula sold products from the Niger Loop in the 15th century. In addition, traders from Djenné and Timbuktu reached as far south as Begho in present-day Ghana. The trade routes, such as the Trans-Saharan, were widely used, and the caravans used porters, but also camels and dromedaries, stopping in towns, which were all established stages on the route.

These towns were much more numerous than one might think, and were hotbeds of commercial activity of all kinds, with markets of international renown. There were some along the Nile Valley located in Egypt, Ethiopia, and Nubia. We can also mention Aksum, in the Horn of Africa (1st-7th century), the medieval West African cities of Djenné-Djeno, Gao, Koumbi Saleh, Ifè, Old Oyo in Yoruba country (15th-19th centuries), Great Zimbabwe (13th-15th centuries), Phoenician cities like Carthage in North Africa, or Mbanza Kongo in Central Africa. These cities are often important (Timbuktu had about 100,000 inhabitants in the 15th century, including 25,000 students in the University of Sankore), and some are very old (the remains of the oldest city in the world were found in Mozambique, it existed 200,000 years ago and was surrounded by a wall 3.5 meters high).

For transactions, especially in the markets of the cities and villages, traders used cowrie shells, beads, kola nuts, livestock, precious stones, and different metals, especially iron. In north-eastern Nigeria and western Cameroon, the Suu, otherwise known as So, was used as a means of payment, especially for dowries. The Mafa in northern Cameroon also had their own means of payment. In Côte d'Ivoire, the Gouros had a wrought iron coin called "sombé" or "bro". The Baule used gold weights. In Sierra Leone, the « quinze » was used.

In the Kingdom of Benin (now in Nigeria), it is reported that Eresoyen, the 30th Oba of the Kingdom, between 1740 and 1750, was the first to introduce the concept of banking: he created an institution called « Owigho », which promoted economic growth and trade, and the kingdom's currency (the Ighos) was accepted in a very large number of regions, hundreds, even thousands of kilometers from the capital.

But a shift occurred, starting at the end of the 15th century from mainly overland trade routes to maritime trade routes. Looking westward for a new route to India, Christopher Columbus landed in the Americas. The story is well known, there is no need to give many details, and soon, the center of gravity of the world's commercial activity shifted from the East to the West; the Slave Route replaced the Spice Route; the caravel replaced the caravan. The Africans who controlled their goods became goods themselves. The first colonization, marked by slavery in the Americas, was followed by the second, from the 19th century onwards, marked by forced labor, and since then, Africans have never regained full control over their products or their trade.

Since independence, many attempts have been made by African countries to regain control of their trade, the most important being the African Continental Free Trade Area (AfCFTA) signed in 2019, in the framework of the African Union. The aim is to promote trade within the continent, in a context where some countries have more trade with the former colonial powers than with their neighbors on the continent, these exchanges with the West being themselves based on leonine contracts.

It is clear that control of trade is and remains one of the main, if not the most important, problem for the continent. Raw materials have been exploited, plundered, and bought at low prices by foreign nations and companies, with the value-added being done abroad. In the Francophone countries, despite many attempts to get out of it, the CFA franc (historically, French Colonies of Africa) is still in force, and in the rest of the continent, currencies are often very fragile, the most striking example being the Zimbabwean dollar, which has been devalued to such an extent that in 2009, the authorities had to put into circulation bills of a hundred thousand billion dollars. However little by little, discussions about a common currency are progressing in Africa, especially in West and East Africa.

In the Diaspora, in the context of slavery, the deported African populations were seen as commodities. However, this does not mean that these men and women were passive objects, quite the contrary. Some of them fled the plantations and founded resistant communities in the forest or in the jungle, which had their own economy: this was the beginning of the Maroon territories in Jamaica, the Palenques in Colombia or in Panama, the Quilombos in Brazil, which still exist today. And these territories had political and military alliances between them, but also set up commercial exchanges, essential to the survival of the groups: they would buy food, utensils, but also weapons.

Those who remained on the plantations, especially the "talented negroes", could sometimes work for themselves on Sundays, and outside of the missions for the master. As a result, some of them could save enough money to buy back their freedom and set up their own business. Thus, Luísa Mahin was born in Brazil and bought back her freedom in 1812. As a merchant, she traveled here and there in the cities of Bahia, taking advantage of this to distribute messages in Arabic, which the colonists could not decipher, calling for insurrection. Her example illustrates the important role of women, in trade and in the fight against slavery. It also shows that trade was already a critical source of empowerment for the black population.

At the time of the slave trade, these rural communities organized themselves into Black Towns in the southern United States, and today the Historic Black Towns and Settlements Alliance still exists. These towns were always threatened when they became too prosperous, the best-known example being « Black Wall Street ». In 1921, the city of Tulsa, which was so prosperous, and had its own black-owned bank, was destroyed by the police, the army, and even the air force of the white authorities, who were worried about the growing black trade.

In the white cities of the United States, because of segregation, blacks often lived in separate neighborhoods, which did not stop them from developing, in spite of racism. In Saint Louis Missouri, Madam C.J Walker created a line of hair products for black people, that she sold by herself, and became the first woman to become a millionaire on her own in the United States. In the 1920s, the "Buy Black" movement was established, which still exists in North America, but also in Brazil, Europe, and elsewhere.

From the 1960s onwards, commercial initiatives became more structured. In the Caribbean, the Caribbean Free Trade Association, which existed between 1965 and 1972, was then replaced by Caricom, the Caribbean Common Market, bringing together Member States from Guyana to Haiti. Today, the Diaspora has an enormous but poorly structured economic weight. It allows members of the Diaspora to help families on the continent, which represents each year, according to the World Bank, nearly 70 billion dollars: this constitutes 13% of Senegal's GDP, 26% of Liberia's GDP, and 70% of Sudan's GDP.

One of the *raison d'être* for the State of the African Diaspora, when it was created in 2018, was precisely to strengthen the economic and commercial ties between Africa and the Diaspora. And that is why, in order to be more effective, the State of the African Diaspora had to adopt legislation governing its commercial activities, whether they are on the continent or in the Diaspora. This is the purpose of the law below.

TITLE I: Definition and Principles

Article 1: African Continental Free Trade Area (AfCFTA)

The AfCFTA was signed in Kigali, Rwanda, on 21 March 2018. It is the world's largest free trade area bringing together the 55 countries of the African Union (AU) and eight (8) Regional Economic Communities, which represent more than one billion people. It is a single continental market for goods and services, with free movement of business persons and investments, and thus paves the way for accelerating the establishment of the Continental Customs Union. For the moment, the Diaspora is not included in this treaty: the Parliament is encouraging the Government of SOAD to work towards this inclusion.

Article 2: Trading Among Ourselves

Whereas today, many African countries trade more with former colonial powers than with their neighbours, these old relations being often based on unfair agreements. Africa and the Diaspora countries would increase the level of economic exchanges, therefore the level of wealth, if they were trading more among themselves. That is why the Parliament of the State of the African Diaspora is encouraging the Government to promote South-South relationships. To do so, a common currency would of course be a very useful tool.

Article 3: Currency

The State of the African Diaspora allows itself to use multiple currencies, be they fiat, digital, or cryptocurrencies. To have a basket of currencies is certainly a good way to maintain sovereignty. However, SOAD encourages all useful initiatives to create Pan-African currencies. It has long been advocated that one common currency on the continent would serve to bolster Africa's continental trade relationship. It would even be stronger if it were to also include the diaspora. The Parliament of SOAD encourages its government to work towards this end.

Article 4: Food Sovereignty

Food Sovereignty is the right of all people to healthy and culturally appropriate food produced through ecologically sound, sustainable, and cultural methods. Further, it means defending peoples' rights, to land, territories, seeds, and biodiversity, promoting agroecology, and fighting the destructive agribusiness model and neoliberal trade and investment policies.

Food sovereignty places control over territory, land, grazing, water, seeds, livestock, and fish populations into the hands of local food providers, and asserts their right to use and share these resources in socially and environmentally sustainable ways. It is about empowering people, farmers and caters to make these important decisions about food and agriculture. It is the condition where people define their own food and agriculture systems to produce healthy and culturally appropriate food for people through ecologically sound and sustainable methods. The Parliament encourages the Governments to work for food sovereignty in Africa and the Diaspora.

Article 5: Trade and Human Rights

In many instances, trade is associated with slavery, colonisation, and exploitation. But trade can also be a source of peace, emancipation, and empowerment. That is why the Parliament of the State of the African Diaspora encourages the Government to always include in its commercial activities ethical values such as the fight against racism, sexism, discrimination in general, and corruption, and to also include environmental concerns in its activities. That is why the Parliament supports instruments such as the Ethical Business Label, created by the Government of SOAD.

TITLE 2: SOAD Business

Article 6: Purpose

The Law on Trade and Commerce applies to all persons/citizens within SOAD who are in pursuit of or conducting business in the name of SOAD, in their official capacity, as indicated by their Letter of Appointment, and have received the necessary approvals to conduct such business/commercial activities on behalf of SOAD.

Conducting business includes:

- Issuing and signing of NDAs and MOUs in pursuit of a business or commercial arrangement
- Negotiating commercial ventures, such as smart city developments and/or socio-economic/agribusiness development projects;
- Negotiations regarding financial or other instruments of value, such as SBLC or LC, derivatives, cash instruments, etc.
- Any ventures regarding finance and banking
- Any ventures with regard to purchasing precious minerals such as gold, silver, diamonds, etc.
- Any ventures regarding CBDC and cryptocurrency
- Business ventures and contract negotiations regarding mineral resources, such as oil, gas, PPA, mining, health sector, education, the technology sector, etc.

Article 7: Compliance

7.1: Signature by a SOAD member of a Memorandum of Understanding of Commercial Ethics shall be mandatory in confirming that you have understood and abide by the contents of this Law.

7.2: SOAD shall issue to the SOAD member a formal Letter of Approval to conduct Commercial Activities (LACA) to those members who shall be approved and authorized to conduct business in the name of or on behalf of SOAD.

7.3: It shall be a mandatory requirement for the authorised member of SOAD to be able to produce the LACA to the client being engaged with, as proof that he/she is authorised to conduct business relations. These letters shall be issued hereafter and, where appropriate, retrospectively.

7.4: Where a retrospective LACA is necessary, a Status Report of the project will need to be submitted, as per Article 4.

7.5: All members who require the Memorandum of Understanding and the LACA document should, as soon as possible, email secretariat@thestateofafricandiaspora.com and the proper due diligence protocols shall be conducted.

7.6: Any member of SOAD who does not have the LACA document, shall not and is not authorised to conduct business or commercial ventures in the name of or on behalf of SOAD. Failure to observe this Code, immediate sanctions will be imposed or dismissal from the service of SOAD.

Article 8: Reporting

All members who are authorised to conduct business on behalf of SOAD shall after every 30 days produce a Status Report as to the development of the business relationship and the project. (A link to the Status Report Form is attached as Addendum A). The monthly Status Report once completed shall be sent to secretariat@stateofafricandiaspora.com.

Article 9: Sanctions

9.1: No personnel of SOAD shall create a company in the name of SOAD unless authorised and have followed the protocols of this Law. It is forbidden for any personnel of SOAD to create a personal company using the acronym 'SOAD' in its title.

9.2: Should it be uncovered that a member of SOAD has created a company in the name of SOAD, or using the name SOAD within a company name they have created WITHOUT following the protocols of authorisation and approval, they shall immediately be dismissed from SOAD.

Article 10: Directorship and Registration

All companies which are created under the Government shall have as its controlling directorship a minimum of three and a maximum of four of the Leadership in all companies created within SOAD. One further Director shall be the member in whose country the SOAD company shall be registered. Any companies which have already been created without the required number of Leadership Directors, the correct directorship protocol will be required to be implemented.

Article 11: Registration of a SOAD company

SOAD has a registered service company that acts as SOAD's commercial business entity as the Parent Holding Company of all other companies created by SOAD.

All companies to be created by and in the name of SOAD regardless of their nature shall adopt the SOAD naming convention.

Article 12: Protocol towards establishing a Business Relationship and Registration

12.1: All internal and commercial business correspondence shall be conducted through the member's State Email Address and no exceptions to this Law shall be accepted. This condition forms part of the Contract of Engagement and SOAD's Code of Conduct.

12.2: If it is a SOAD project, write a business plan or complete the SOAD Business Interest Form (**A link to the Form is shown in Addendum C**);

12.3: If it is a project where a party wishes to do business with or partner with SOAD, the Business Plan and all necessary documentation to perform due diligence should be requested from the party/ies;

12.4: To discuss and negotiate the terms of engagement with the party/ies and then discussed with the Business Development Team or the Leadership Directors;

12.5: To sign a non-binding MOU with the party/ies (signed by the SOAD lead member and a minimum of one of the Leadership);

12.6: Registration of the SOAD company in the country of the SOAD member leading the project.

- a) Locate the Office of Business/Commercial Registration in the country
- b) Request appropriate Forms and list of requirements to register a company – (or enquire whether registration could be done online)
- c) Request cost of registration
- d) Request any foreign investor and local investor, legislation, National Acts or compliance/eligibility documentation for conducting business in the country
- e) Information regarding Tax ID (TIN number)
- f) Request whether proof of funds to do business is necessary
- g) Identify a business address which shall be required for registration purposes
- h) Identify and recommend a lawyer and a commercial bank/ financial institution.

Before submission of the registration documents, the Leadership Directors ***must*** review the registration documents and provide a signature on each of the pages, thereafter a duplicate of the registration documentation shall be filed to the SOAD Central Filing system.

When the Certificate of Incorporation and other incorporation documents are provided, the ORIGINALS shall be sent by courier to the SOAD Secretariat in London. If provided electronically, a copy is to be sent to secretariat@thestateofafricandiaspora.com.

Article 13: Protocol for Registration

13.1: All Members shall refer to the Protocol for Registration policy.

13.2: Any companies which have already been created which have not respected the Protocol, a meeting will be required to comply as soon as possible.

13.3: Failure by the SOAD Member to comply with the Protocol, this company shall be voided by SOAD and shall not be a company of SOAD. Thereafter an Official Notice shall be sent to all necessary institutions, companies, and corporations, and gazetted publicly that this company has no relationship or connection with the State of the African Diaspora.

Article 14: Joint Venture Companies

It may be necessary where there are third-party interests that SOAD may be required to establish partnerships, tri-partite agreements, or Public Private Partnerships. Where a joint venture company is to be established, the authorized SOAD Member shall be provided with the necessary protocol for these types of arrangements.

Article 15: SOAD Sovereign Trust

All SOAD companies and entities which are created for and on behalf of SOAD belong to SOAD State and shall be held in its Global Sovereign Trust to be held in perpetuity on behalf of its citizens. The beneficiaries of the Trust shall be all the citizens of SOAD worldwide.

Article 16: Regulations

This bill constitutes a legal framework for conducting business regarding trade. The State of the African Diaspora Executive Branch and Parliament will discuss and approve the regulations applicable to the specific areas, and businesses, including the processes required to implement this Law.

Article 17: SOAD Parliament Participation in the Business Development Team

SOAD Parliament will have representation and participation in the Business Development Team.