Infrastructural development under the AfCFTA
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Apart from Annexes dealing with customs administration and border governance issues, the AfCFTA Agreement does not mention infrastructural development explicitly as one of its objectives. However, the AfCFTA’s main objective to boost intra-African trade can only be achieved with adequate quality infrastructure. This requires, amongst other things, investment, maintenance and associated regulatory frameworks to harmonise those regulations which are necessary for efficient access to infrastructure services such as water, energy and transport. There are other projects and programmes, such as the Programme for Infrastructure Development in Africa (PIDA) of the African Union (AU) which can help to ensure that this important and urgent matter is addressed in terms of studies and technical advice.

Infrastructural development is also an area where innovative ideas about infrastructural investment and maintenance must be developed and implemented. The African Development Bank is a multilateral financial institution that funds projects that promote economic and social progress throughout the continent. It finances private and public projects that promote economic and social progress. Core infrastructure such as highways and water systems are on its agenda. The African Development Bank Group President is on record that the Bank will integrate the AfCFTA into its country and regional integration strategies.

Ultimately infrastructure development and maintenance are also about governance. And there are many challenges; it is beyond the capacity and resources of individual African nations to meet all their national and regional infrastructural needs. Infrastructure not only enhances socioeconomic growth it is also an important driver of sustainable development. Infrastructure is a key ingredient of Africa’s post-Millennium Development Goals and the United Nation’s Sustainable Development Goals. Access to safe water, health and education services, reliable energy supplies, good road networks, and

1 The AfDB has 54 African and 26 non-African member states.
information and communications technology (ICT) are all vital infrastructural inputs for socio-economic development.

There are specific regional corridor development projects financed by foreign donors and development partners. They have been around for some time but there are worrying signs lately of infrastructural collapse in South Africa in particular. Its energy, rail and port sectors have been neglected to the point where essential services have become unavailable or unreliable. South Africa’s water infrastructure is facing a crisis, caused by inadequate investment, water scarcity, climate change, and inefficiencies in the system. These developments impact negatively on the Southern African region which has traditionally relied on South Africa’s infrastructural services. And it sets back economic integration and the implementation of the AfCFTA.

Corridor development and maintenance have become urgent concerns. Exporters from South Africa and other countries in the region are increasingly avoiding South Africa’s deteriorating rail, road and harbour services in favour of alternative routes to ensure their products reach global and African markets timeously and efficiently. Examples of alternative routes now explored are the port of Maputo in Mozambique and ports in Namibia.3

Various studies on the infrastructural dimension of intra-African trade and integration have been conducted. The key findings related to transport infrastructure and the AfCFTA are that AfCFTA implementation is expected to cause a significant increase in the demand for intra-African freight. Road transport dominates intra-African freight (76.7%), while rail transport has a negligible share (0.3%).4 Another important finding is that insufficient coordination between countries regarding border procedures, inefficiency of customs clearance systems, fragmented and substandard transportation, and delays in terminal handling and goods clearance can hinder AfCFTA’s success.5

It is in the customs and border administration areas that the AfCFTA can make an important contribution. The AfCFTA Annexes on Customs Co-operation and Mutual Administrative Assistance (Annex 3), Trade Facilitation (Annex 4), Non-Tariff Barriers (Annex 5), and Transit (Annex 8) provide the necessary principles and procedures (such as the AfCFTA Transit Document) as well as inter-state

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3 See the discussion on regional corridors in the January 2024 tralac Newsletter.


5 UNECA, 2022b. The African Continental Free Trade Area and Demand for Transport Infrastructure and Services. https://repository.uneca.org/handle/10855/47596
bodies. Article 19 of AfCFTA Annex 4 for example provides that each AfCFTA State Party “shall ensure the freedom of transit through its territories in accordance with Article V of GATT 1994 and Article 11 of the WTO Agreement on Trade Facilitation”.

The AfCFTA Sub-Committee on Trade Facilitation, Customs Cooperation and Transit provides for a useful platform. Article 12 of AfCFTA Annex 8 provides as follows:

The Committee on Trade in Goods shall, in accordance with Article 31 of the Protocol on Trade in Goods, establish a Sub-Committee on Trade Facilitation, Customs Cooperation and Transit. The Sub-Committee shall be composed of duly designated representatives from State Parties and shall carry out the responsibilities assigned to it under this Annex or by the Committee on Trade in Goods.

The relevant private sector stakeholders should become involved in the work of this Sub-Committee.

There is an urgent need for improved Transport Connectivity in Africa and implementing regional infrastructure and services programs to reap the full benefits of AfCFTA, especially in the rail transport sector. Investment in critical infrastructure must be emphasised, as well as upgrading existing infrastructure to cope with AfCFTA-related freight growth. In summary, addressing transport infrastructure gaps and ensuring efficient services are vital for AfCFTA’s effective implementation and the realisation of its economic potential.

The lack of infrastructure in Africa is a continental problem that requires a continental solution. Regional integration is vital for Africa to realise its growth potential, participate effectively in the global economy, and share the benefits of globalisation. The Programme for Infrastructure Development in Africa (PIDA), a multi-sector programme covering transport, energy, transboundary water, and telecommunication/ICT is dedicated to facilitating continental integration in Africa through improved regional infrastructure. PIDA is a joint initiative of the African Union Commission, the New Partnership for Africa’s Development Planning and Coordination Agency (NPCA), and the African Development Bank. It is grounded in regional and continental master and action plans as well as other relevant work undertaken by the AU, the regional economic Communities (RECs), the regional and continental technical agencies (including the lake and river basin organisations and power pools), and the concerned countries.

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6 Ibid.
7 See Program Infrastructure Development for Africa (PIDA)
The implementation of specific AfCFTA obligations should slot into these existing frameworks; it does not need to start from scratch. The challenges will be about matters such as governance and coordination. The AfCFTA design for implementation of obligations is for all practical purposes a cooperation model: “For purposes of fulfilling and realising the objectives [of the AfCFTA] State Parties shall cooperate on customs matters and the implementation of trade facilitation measures.” This approach holds the danger of fragmentation and a lack of sufficient coordination and should be avoided at all costs. The AfCFTA could lay the foundation for a better governance model for Africa’s infrastructural development.

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8 Art 4 AfCFTA founding Agreement.