

## Profiling the African Clothing, Textile & Leather Value Chain:

### Basic and Gender Dimensions

John Stuart



## TRADE BRIEF

tralac Trade Brief  
No. IDRC22TB05/2022  
November 2022

*Readers are encouraged to quote and reproduce this material for educational, non-profit purposes, provided the source is acknowledged. All views and opinions expressed remain solely those of the authors and do not purport to reflect the views of tralac.*

## ABSTRACT

The AfCFTA Secretariat, in a recent report, identified certain industrial sectors and sub-sectors as potential candidates for value chain development under the AfCFTA agreement. This Trade Brief looks at the clothing, textile & leather sector (CT&L) in Africa, from the perspective of the regional and global value chain dimensions. The intention is to present the basic value chain metrics of the sector, including gender-disaggregated employment metrics, as a precursor to several more extensive studies forthcoming from tralac over the next few months.

Published by the Trade Law Centre (tralac)  
P.O. Box 224, Stellenbosch, South Africa, 7599

Copyright © tralac, 2022

## Citation

Stuart, J. 2022. *Profiling the African Clothing, Textile & Leather Value Chain: Basic and Gender Dimensions*. tralac Trade Brief No. IDRC22TB05/2022. Stellenbosch: tralac.

## About the Author

JOHN STUART is an economist and policy analyst with special interests in trade, economic integration, technology & ICT and economic modelling. He has researched and written extensively for tralac and also consulted to various organisations including the UN Economic Commission for Africa and the OECD. He holds an M. Com degree in Economics from the University of Natal (Durban). He currently serves as a tralac Associate.

*Readers are encouraged to quote and reproduce this material for educational, non-profit purposes, provided the source is acknowledged. All views and opinions expressed remain solely those of the authors and do not purport to reflect the views of tralac.*

## Acknowledgements

This work was carried out with the aid of a grant from the International Development Research Centre, Ottawa, Canada. The views expressed herein do not necessarily represent those of IDRC or its Board of Governors.



[www.tralac.org](http://www.tralac.org) | [info@tralac.org](mailto:info@tralac.org) | Twitter [@tradelawcentre](https://twitter.com/tradelawcentre)

Please consider the environment before printing this publication.

## Profiling the African Clothing, Textile & Leather Value Chain: Basic and Gender Dimensions

By John Stuart

### Introduction<sup>1</sup>

The AfCFTA Secretariat, in a recent report, identified certain industrial sectors and sub-sectors as potential candidates for value chain development under the AfCFTA agreement (AfCFTA Secretariat, 2021). The broad sectors included in their list were agricultural/agro-processing, textiles and leather, automotive, pharmaceuticals, mobile financial services and cultural industries.

This Trade Brief looks at the clothing, textile & leather sector (CT&L)<sup>2</sup> in Africa, from the perspective of the regional and global value chain dimensions. The intention is to present the basic value chain metrics of the sector, including gender-disaggregated employment metrics, as a precursor to several more extensive studies forthcoming from tralac over the next few months.

### The clothing, textile & leather value chain: basic metrics

‘Value chains’ are flows of value between countries that reflect the addition of value to intermediate products, which are eventually sold as final products by the last country in the value chain. ‘Value chain participation’ refers to the extent to which a country or region participates in cross-border value chains. This can be further broken down into ‘forward’ and ‘backward’ participation, meaning the extent to which value is added to imported intermediate products (backward) and in turn to exported intermediate products (forward). African countries, being overwhelmingly primary goods producers,

---

<sup>1</sup> This brief is based on a tralac 2022 Annual Conference note, [African Value Chains and the Visualisation of the Textiles Apparel VC](#), distributed at the conference. I am grateful to Trudi Hartzenberg for helpful commentary on earlier drafts.

<sup>2</sup> The broadly defined CT&L sector in this context would include at least the following two digit HS codes: 42, 52, 61, 62, 63 and 64. If the narrative does not use the abbreviation ‘CT&L’ then a narrower definition is used, for example only clothing and textiles and excluding leather. This distinction is necessitated by data availability and aggregation issues across different data providers, as well as differences between trade-related sectoral classifications and those for industrial classification. A detailed concordance, for the broad sectoral CT&L classification, between the trade classification (HS 2017) and industry-trade classification (SITC4) is given in the Appendix in Table 5. The table also highlights the leather sub-sector and its item lines from the aggregate.

would be expected to be far more forward than backward integrated. Finally, ‘GVC exports’ reflects the component of exports of non-finished products or materials, that become inputs into another country’s production process to produce either further beneficiated GVC exports or final products.

**Table 1: Comparing exports, GVC exports, GVC participation for African and other regional aggregates (2015, USDm)**

Row Labels	All Sectors Gross exports	All Sectors GVC exports	GVC/Gross Exports	GVC backward – Clothing & Textiles	GVC forward – Clothing & Textiles	Backward/ Forward
High income countries	14 501 100	7 451 750	51%	168 873	81 997	206%
Asia (no high inc.)	3 477 524	1 346 460	39%	68 662	62 792	109%
Africa	379 197	159 370	42%	4 014	2 932	137%
Africa, non-resource-rich countries	220 278	90 949	41%	3 907	2 811	139%
Africa, resource-rich countries	158 919	68 421	43%	108	121	89%
North Africa	133 754	63 798	48%	2 168	2 106	103%
Southern Africa	155 578	62 425	40%	815	468	174%
West Africa	54 216	19 079	35%	90	106	84%
East Africa	54 216	19 079	35%	90	106	84%
Central Africa	17 159	6 746	39%	10	7	131%

Source: Author’s calculations based on World Bank (2020), *World Development Report 2020*, GVC Database

Table 1 presents a selection of data on the dimensions of value chain – both gross as well as for the textiles & apparel sector – participation for several regional aggregates. Firstly, high income (developed) countries have a relatively high proportion of GVC exports in total, reflecting their significant participation in value chains across multiple sectors. They also have a higher ratio of backward to forward GVC participation in textile & apparel value chains than the developing regions presented, meaning they significantly benefit less processed textiles & apparel products.

Although Africa's proportion of backward to forward value chain participation exceeds that for the non-high income Asian countries, the magnitudes of its participation are much lower. In fact, Africa's total forward and backward flows are only about 5% of the non-high income Asian aggregate, which is about half that for its overall GVC participation. This suggests that Africa is less involved in textiles & apparel value chains than for other value chains it is involved in, such as minerals and agricultural production.

**Table 2: Comparing the African agricultural value chain with the textiles and apparel value chain (2017, USDm)**

Value flows above \$100k	Number of flows	Intra-Africa Proportion
Agri - Africa to all	2413	
Agri - Intra-Africa	236	9.8%
Textiles - Africa to all	639	
Textiles - Intra-Africa	42	6.6%
Agri:Textiles proportion	3.78	

Source: Author's calculations based on UNCTAD (2022) (UNCTAD-Eora GVC database)

Further scaling of the textiles & apparel value chain is provided in Table 2. This table shows for instance, that the number of agricultural value flows above \$100k is nearly four times that for textiles and apparel value flows. It also shows that the proportion of intra-African value flows in textile and apparel value is only about two-thirds that of agricultural value flows. In summary, African-originating textiles and apparel value flows are significantly smaller than agricultural value flows and the extent of intra-African flows are also less than that for agriculture.

## The African clothing & textiles value chain: regional destinations of African clothing & textile value

The lower part of Table 1 presents GVC participation data for five African geographic regions, ranked by the value of GVC exports. Although Southern Africa's gross exports are the highest value of all the regions, North Africa's GVC exports are a greater and so their proportion of GVC exports to total exports is higher. For the textiles & apparel sector, North Africa's overall participation in value chains – both forward and backward – is much higher than any other African region and only Southern Africa has any

meaningful participation of the remaining regions. Finally, note that the GVC participation in textiles & apparel value chains by resource-rich<sup>3</sup> African economies is negligible, and a far smaller proportion than their participation in agricultural value chains. This emphasises the under-participation of resource-rich African countries in distributed manufacturing production that is unrelated to their resource endowments and can be considered as aspect of the ‘resource-curse’.

**Table 3: Intermediate clothing & textiles production exported by region, from African-originating value (2017, USDm)**

Region	Value exported	Proportion of Total
Africa	23 949	1.8%
Developed	1 134 606	85.4%
Developing (non-Africa)	169 364	12.8%

Source: Author’s calculations based on UNCTAD (2022) (UNCTAD-Eora GVC database)

Table 3 shows the value of intermediate exports of textiles & apparel production exported by Africa, developed countries and other developing countries, that originates from African countries. As can be seen, developed countries export more than 40 times the value of African intermediate textiles & apparel production than do African countries, from value originally generated in Africa. This means developed countries benefit from African textiles & apparel production to a far greater extent than Africa itself does. This implies there is considerable potential for African countries to move up the ‘value chain’ in textiles & apparel production. This will of course also see an increase in intra-African trade and will be assisted by intra-African trade initiatives such as the AfCFTA and BIAT (boosting intra-African trade).

## The African clothing, textile & leather value chain: visualising GVC trade flows

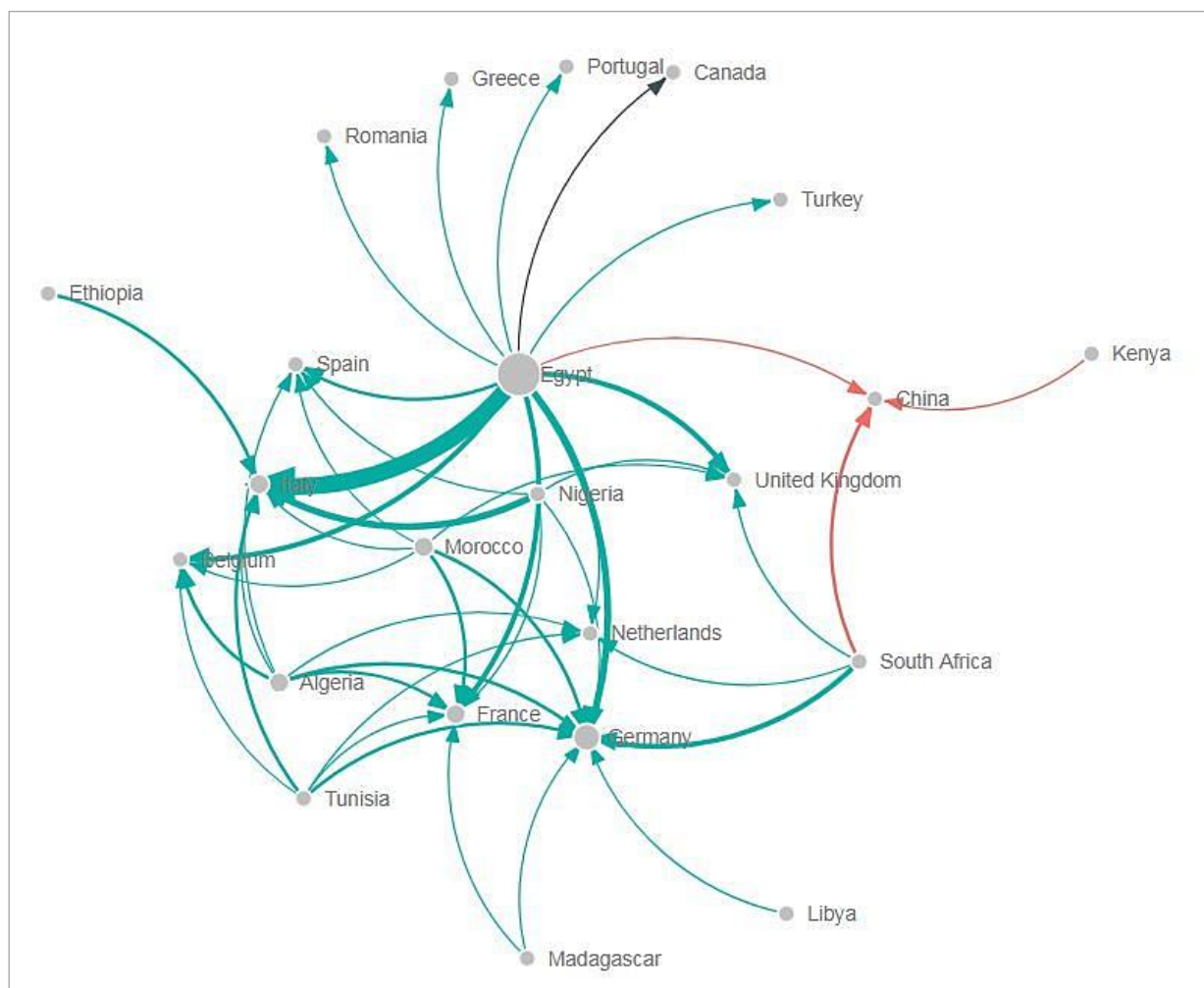
The country-to-country flows underlying the aggregate data in Table 3 have much to reveal about the trade patterns in intermediate CT&L production. The most important of these are mapped in the

<sup>3</sup> Resource-rich’ refers to countries with significant endowments of natural resources such as fuel products (oil & gas), crude minerals & metals and precious minerals & metals.



following two figures. Figure 1 shows the main flows of African-originating value to all countries and Figure 2 shows the main flows of African-originating value to other African countries.

**Figure 1: Main flows of intermediate clothing & textiles production: Africa to all countries (2017)**

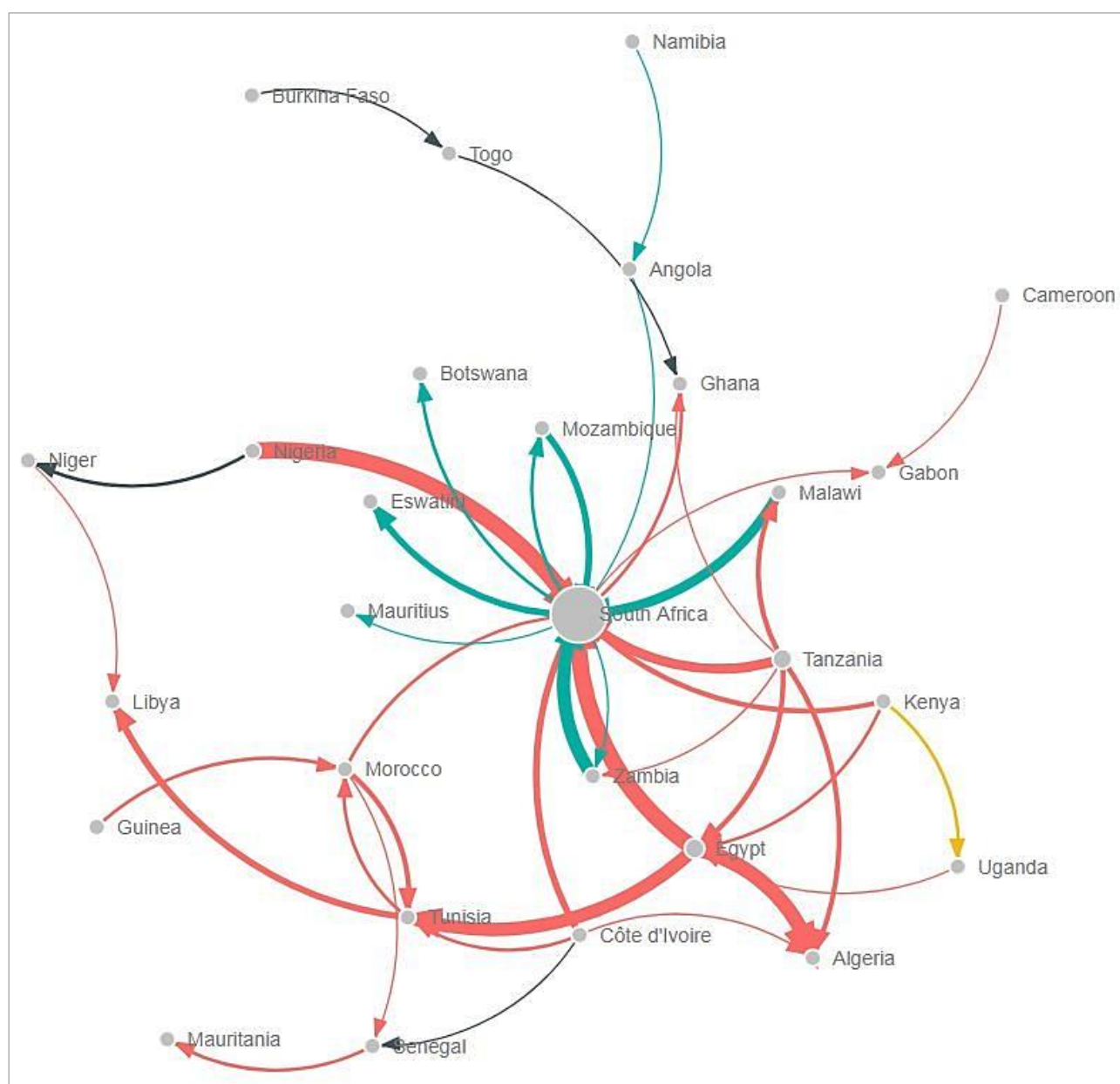


Source: Author's construction based on UNCTAD (2022) data

The arrows in the figures are weighted by value flow magnitude and are colour-coded. In Figure 1, green arrows are to European countries, red arrows are to East Asia and the Pacific and black arrows are to North America. In Figure 2, the arrows reflect the existence or not, of common preferential trade area (PTA) memberships. Yellow arrows are between SADC members, black arrows are between ECOWAS members, red arrows are between members of the EAC, and green arrows reflect flows between countries that are not members of these three PTAs (or for which their membership in these PTAs is superseded by a deeper level of integration in a different PTA).

It is clear from Figure 1 that European countries are dominant buyers of CT&L value generated in Africa. Furthermore, these flows from Africa are dominated by North African countries, especially Egypt, with Italy, Germany and France being significant buyers. Nigeria, South Africa, Madagascar and Ethiopia are the only significant sub-Saharan African textiles & apparel value suppliers to the rest of the world.

**Figure 2: Main flows of intermediate agricultural production: Africa to other African countries (2017)**



Source: Author's construction based on UNCTAD (2022) data



The situation could not be more different for the intra-African value flows (Figure 2). In this case, South Africa dominates as an originator of value with the bulk of the exporters of this value being fellow SACU and SADC members. There are also smaller flows between African countries that are not necessarily involved in mutual PTAs and it is clear that the North African countries are far less involved in exporting intermediate value to other African countries than to Europe. Flows between members of the EAC and ECOWAS are not significant when compared with SADC flows. This is interesting given that ECOWAS, COMESA and IGAD have identified the textiles & apparel value chain for further development, but SADC has not (Briel, 2022).

### The clothing, textiles & leather value chain: gendered participation

Gendered employment data is available for the broad definition of the sector, i.e., clothing, textiles and leather as well as for the Africa totals for all sectors. A few aggregates of this data are presented below in Table 4<sup>4</sup>.

**Table 4: Gender employment dimensions: Africa clothing, textiles & leather sector compared with Africa totals for all sectors**

Clothing, textiles and leather					
Region	Employees	Female employees	Female proportion	Output (USDm)	Proportion of Africa
East Africa	692 595	59 147	8.5%	18 973	19%
North Africa	3 393 834	178 901	5.3%	58 060	58%
Southern Africa	515 862	15 854	3.1%	21 817	22%
West Africa	44 149	99	0.2%	674	1%
Africa	4 646 440	254 001	5.5%	99 523	

<sup>4</sup> Note that these aggregates are based on a set of African countries for which data is available are not necessarily representative of all 54 African countries. The aggregate for West Africa in particular, is missing that of the largest regional economy – Nigeria.

ALL SECTORS					
Region	Employees	Female employees	Female proportion	Output (USDm)	Proportion of Africa
East Africa	5 701 812	434 335	7.6%	359 303	10%
North Africa	25 201 578	756 146	3.0%	1 499 701	42%
Southern Africa	12 972 721	133 343	1.0%	1 650 015	46%
West Africa	697 568	2 742	0.4%	65 567	2%
Africa	44 573 679	1 326 566	3.0%	3 574 585	

Source: Author's calculations based on UNIDO (2022) data

Comparing the total employee numbers for the sector, with the total for all sectors, it is apparent that the clothing, textiles & leather value chain comprises just over 10% of the total for all sectors. The participation rate for female employees is, however, higher for the clothing, textiles & leather sector than the average, except for West Africa (but with the caveat that the data for West Africa is incomplete in this data set). This likely reflects the higher population among sector-specific seamstress and related tasks for female employees than for male.

## Conclusion

The value flow figures presented above are an important data tool in addition to the analysis of GVC exports and GVC participation, with value for policy formulation. For example, AfCFTA policy makers can easily identify which countries are already established 'originators' and 'absorbers' of intermediate value – both within the continent and more broadly. These can serve as a starting point and a resource when it comes to planning and skills transfer. In future years, under the AfCFTA, the lowering of trade barriers and the extension of preferences across the continent will further improve the prospect for the development and deepening of value chains and progression 'up' the value chain ('upgrading').

In 2019, Africa's imports of CT&L products ranked 6<sup>th</sup> out of the total, more than the totals for pharmaceuticals that year – though this pattern would be reversed in the pandemic years 2020 and 2021 (based on calculations made using Trade Map, 2022 data). Likewise, in the same year, Africa's exports of CT&L products ranked about 7<sup>th</sup> out of the total – but at about two-thirds of the value of imports and dwarfed by Africa's exports of its primary specialities – fuels, minerals and broadly-defined

agricultural output. When analysing the value chain trade component, CT&L value flows are around a quarter the size of broad agricultural value flows, indicating that the current extent of value chain participation of this sector is substantially less than that of the broad agricultural sector.

The intra-African CT&L value chain, while small in comparison to that of the broad agricultural value chain, stands to benefit from tariff liberalisation under the AfCFTA (AfCFTA Secretariat, 2021). Several North African countries such as Egypt and Morocco, as well as sub-Saharan countries such as South Africa, Nigeria and Tanzania could see new market opportunities opening as a result of liberalisation; and smaller economies such as Mauritius, Madagascar and Lesotho also stand to gain, being established exporters of CT&L products. Market access within the CT&L sector within Africa is very limited when countries are not members of preferential trade areas with at least free trade access, with high external tariffs (Fundira, 2022). This then creates the potential for much expanded trade in CT&L products when tariff lines are liberalised progressively under the AfCFTA.

Furthermore, the expansion of the CT&L value chain in Africa would be pro-female value chain and manufacturing participation. Gender-disaggregated data sourced from UNIDO (2022) presents an interesting picture of female involvement in the sector. The participation rate for female employees is higher for the clothing, textiles & leather sector than the average for all sectors for all of Africa. This involvement is likely to be currently at the level of medium skilled work, but with business support, training, capacitation in digital tools and other targeted support, female involvement at the managerial and ownership levels could be increased. This issue will be further addressed in forthcoming tralac research in 2022.

---

## References

ADB, 2021. *Global Value Chain Development Report: Beyond production*. Asian Development Bank.

[https://www.wto.org/english/res\\_e/booksp\\_e/00\\_gvc\\_dev\\_report\\_2021\\_e.pdf](https://www.wto.org/english/res_e/booksp_e/00_gvc_dev_report_2021_e.pdf)

AfCFTA Secretariat, 2021. *Which value chains? The Futures Report 2021*.

<https://www.tralac.org/documents/resources/cfta/4669-afcfta-futures-report-2021-which-value-chains-for-a-made-in-africa-revolution.html>

Briel, G. 2022. *Value Chains highlighted by REC Industrialization Strategies*. Mimeo

Fundira, T. 2022. *Promoting the textiles and clothing value chain: Role of the AfCFTA*. tralac Trade Report No. IDRC22TR02/2022. Stellenbosch: tralac.

Trade Map, 2022. *Trade Map data portal*. <https://trademap.org/>

UNCTAD, 2022. *UNCTAD-Eora GVC database*. <https://worldmrio.com/unctadgvc/>

UNIDO, 2022. *Statistics database*. <https://stat.unido.org/database>

UN Statistics, 2022. *Classifications on economic statistics*.

<https://unstats.un.org/unsd/classifications/Econ>

World Bank, 2020. *World Development Report 2020: Trading for development in the age of global value chains*. The World Bank, Washington, D.C.

<https://openknowledge.worldbank.org/handle/10986/32437>

## Appendix

Table 5: CT&L concordance from SITC (heading) to HS 2 digit (leather sub-sector item lines shaded in orange)

Description (SITC/HS)	2 Digit
<b>Articles of apparel and clothing accessories</b>	<b>84</b>
Apparel and clothing accessories; knitted or crocheted	61
Apparel and clothing accessories; not knitted or crocheted	62
Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut)	42
Furskins and artificial fur; manufactures thereof	43
Headgear and parts thereof	65
<b>Footwear</b>	<b>85</b>
Footwear; gaiters and the like; parts of such articles	64
<b>Hides, skins and furskins, raw</b>	<b>21</b>
Furskins and artificial fur; manufactures thereof	43
Raw hides and skins (other than furskins) and leather	41
<b>Miscellaneous manufactured articles, n.e.s.</b>	<b>89</b>
Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut)	42
Feathers and down, prepared; and articles made of feather or of down; artificial flowers; articles of human hair	67
<b>Textile fibres (other than wool tops and other combed wool) and their wastes (not manufactured into yarn or fabric)</b>	<b>26</b>
Silk	50
Textiles, made up articles; sets; worn clothing and worn textile articles; rags	63
Vegetable textile fibres; paper yarn and woven fabrics of paper yarn	53
<b>Textile yarn, fabrics, made-up articles, n.e.s., and related products</b>	<b>65</b>
Fabrics; knitted or crocheted	60
Fabrics; special woven fabrics, tufted textile fabrics, lace, tapestries, trimmings, embroidery	58
Headgear and parts thereof	65



Silk	50
Textile fabrics; impregnated, coated, covered or laminated; textile articles of a kind suitable for industrial use	59
Textiles, made up articles; sets; worn clothing and worn textile articles; rags	63
Vegetable textile fibres; paper yarn and woven fabrics of paper yarn	53
Wadding, felt and nonwovens, special yarns; twine, cordage, ropes and cables and articles thereof	56
<b>Travel goods, handbags and similar containers</b>	<b>83</b>
Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut)	42

Source: Constructed by the author from data sourced from UN Statistics (2022)