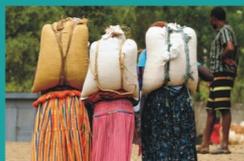




The African Continental Free Trade Area

A tralac guide

8th ed. March 2022



Where does the AfCFTA fit in Africa's development agenda?

The Agreement establishing the African Continental Free Trade Area (AfCFTA) was signed at the 10th Extraordinary Summit of the AU Assembly on 21 March 2018 in Kigali, Rwanda. The AfCFTA Agreement entered into force on 30 May 2019. The AfCFTA is the continent's most ambitious integration initiative.

The main objectives of the AfCFTA are:

- create a single continental market for goods and services, with free movement of business persons and investments
- expand intra-Africa trade across the regional economic communities and the continent in general
- enhance competitiveness and support economic transformation
- promote industrial development

The FTAs of 8 RECs have been recognised as building blocks of the AfCFTA. The RECs are: ECCAS, ECOWAS, COMESA, EAC, SADC, AMU, CEN-SAD and IGAD.

Agenda 2063 is Africa's framework for structural transformation. It builds on and aims to facilitate the implementation of existing continental initiatives (AIDA, PIDA, BIAT and CAADP). The AfCFTA, a single African air transport market (SAATM), and the free movement of people are Agenda 2063 flagship projects. The AU has adopted legal instruments for the effective implementation of these flagship projects. Importantly, the UN Agenda 2030's 17 SDGs are incorporated in the 20 goals of Agenda 2063. By implementing Agenda 2063, Africa will also meet its global commitments under the SDGs.

AIDA

PIDA

BIAT

CAADP

**Agenda
2063**

**Protocol
on Free
Movement of
People**

**SAATM
Decision**

**AfCFTA
Agreement**

**Yamous-
soukro
Decision**



Architecture of the AfCFTA

The AfCFTA Agreement is a comprehensive legal compact which includes the Agreement establishing the AfCFTA, Protocols on Trade in Goods, Trade in Services, Dispute Settlement, Investment, Intellectual Property Rights and Competition Policy. Recently Digital Trade and Women and Youth have been added to the negotiating agenda.

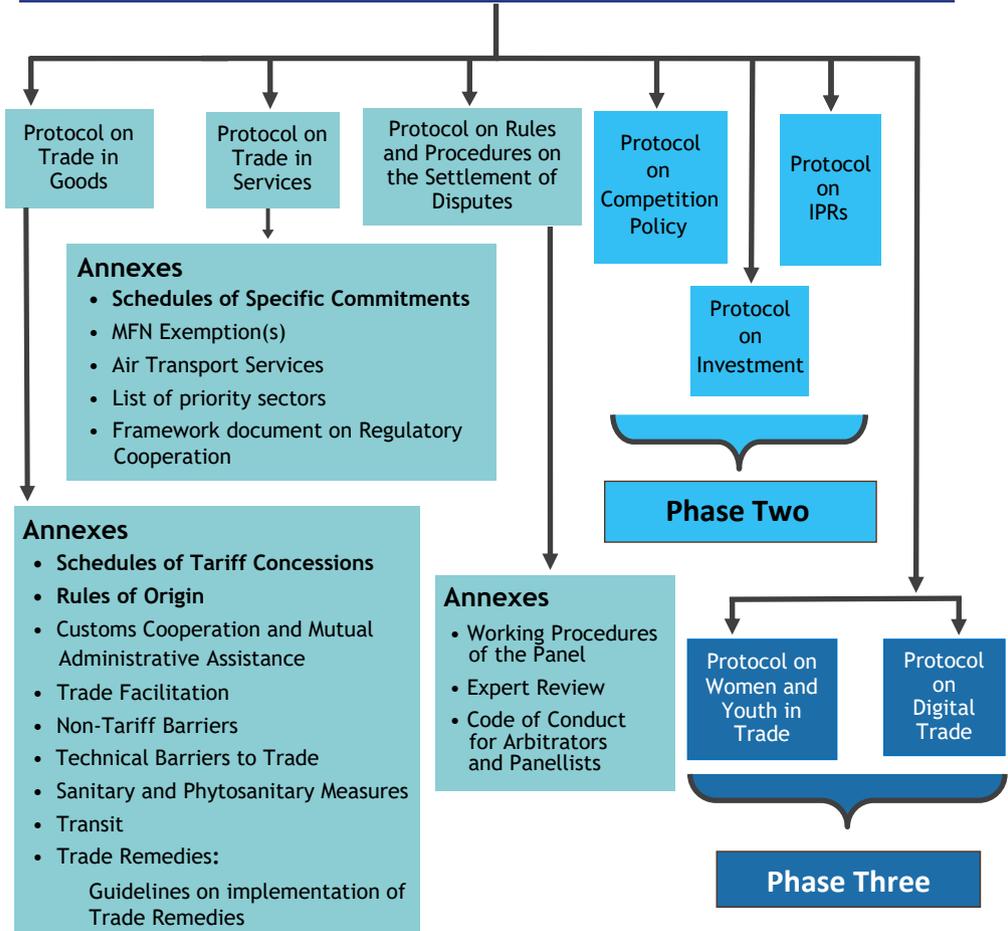
Phase 1 negotiations cover Trade in Goods, Trade in Services and Dispute Settlement. The Protocols on Trade in Goods and Trade in Services each have several Annexes covering substantive disciplines.

Negotiations on a number of issues (e.g. tariff concessions, rules of origin for goods and schedules of specific commitments for services) are still ongoing. The negotiations of the Protocol on Dispute Settlement have been concluded.

Phase 2 negotiations covering Investment, Competition Policy and Intellectual Property Rights have recently started.

Phase 3 negotiations will cover Digital Trade, and Women and Youth in trade.

Agreement establishing the AfCFTA



Institutions of the AfCFTA

The institutional framework for the implementation, administration, facilitation, monitoring, and evaluation of the AfCFTA consists of the Assembly, the Council of Ministers, the Committee of Senior Trade Officials, and the Secretariat. (Art 9 AfCFTA Agreement.) Decisions by AfCFTA institutions are taken by consensus, unless otherwise provided.

The **Assembly** of Heads of State and Government of the African Union (AU) provides oversight and strategic guidance on the AfCFTA, including the Action Plan for Boosting Intra-African Trade (BIAT).

The **Council of Ministers** (CoM) consists of the Ministers for Trade (or other designated Ministers) of the State Parties. The State Parties are the AU Member States that have ratified the AfCFTA Agreement or have acceded to it, and for whom this Agreement is in force. The CoM has authority to take all decisions as provided for in a rather wide mandate provided for in Article 11 of the AfCFTA Agreement. This includes the responsibility to ensure the effective implementation and enforcement of the AfCFTA Agreement. It also supervises the work of all committees and bodies established under the Agreement, considers reports of the Secretariat, makes regulations, issues directives, and makes recommendations. The CoM meets twice a year in ordinary session and may meet as and when necessary, in extraordinary sessions.

The **Committee of Senior Trade Officials** consists of Permanent or Principal Secretaries of the State Parties, or of other officials designated by them. It must implement the decisions of the CoM and is responsible for the development of programmes and action plans for the implementation of the AfCFTA Agreement. It may direct the Secretariat to undertake specific assignments.

The Regional Economic Communities (RECs) are not parties to the AfCFTA Agreement but shall be represented in the Committee of Senior Trade Officials in an advisory capacity. The REC Free Trade Areas are also the building blocks of the AfCFTA.

The **AfCFTA Secretariat** is the only permanent institution of the AfCFTA and is based in Accra, Ghana. It must implement instructions of the CoM and must provide technical assistance to the State Parties and AfCFTA institutions, as provided in the AfCFTA Agreement. The AfCFTA Agreement does not establish a new international legal person but does say the Secretariat *“shall be a functionally autonomous institutional body within the African Union system with an independent legal personality”*.

The **Dispute Settlement Mechanism** of the AfCFTA replicates, with the necessary adaptations, the WTO dispute settlement system. The relevant principles and procedures appear in a dedicated Protocol. The Dispute Settlement Mechanism has its own institutions, such as the Appellate Body and the Panels. Only State Parties may bring disputes against other State Parties. Natural or legal persons have no standing to bring applications for the settlement of AfCFTA related disputes.





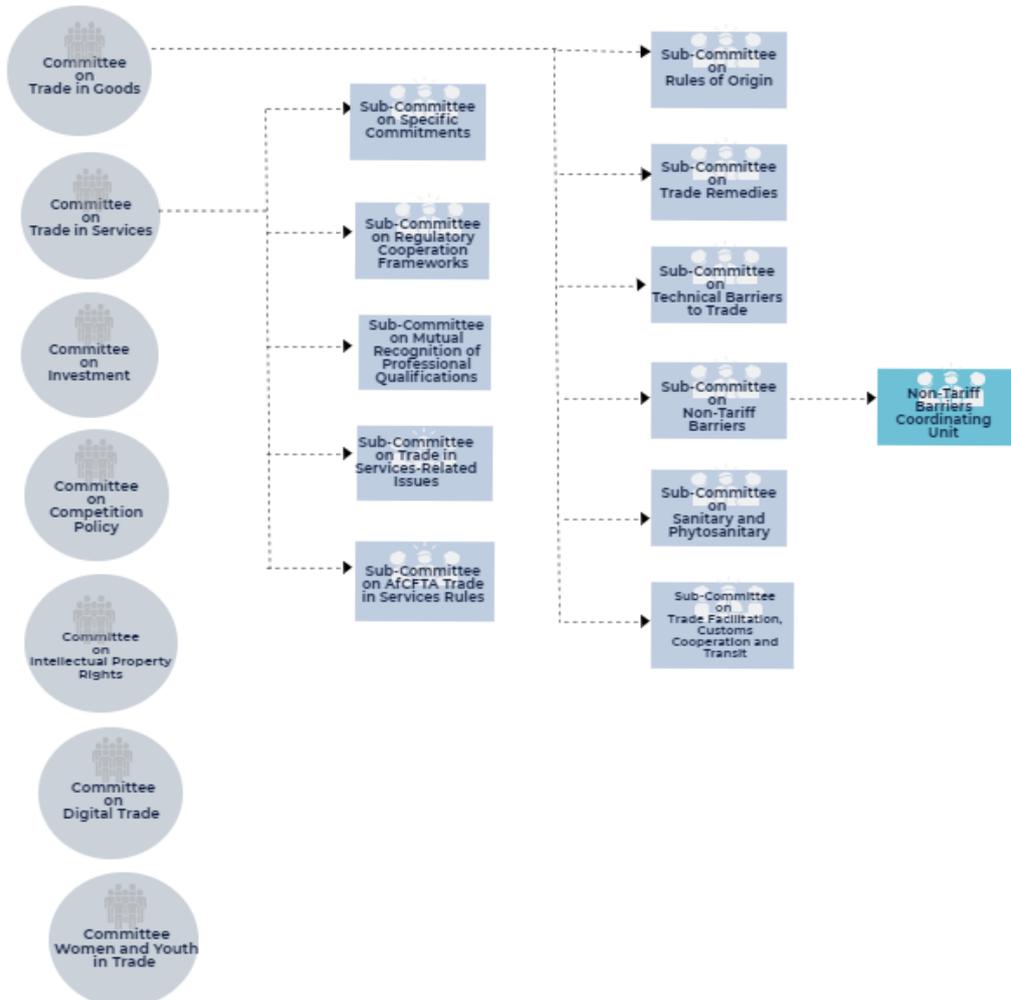
AfCFTA Committees

The Protocols and Annexes to the Protocols to the AfCFTA Agreement establish various technical committees to assist with the implementation of the Agreement. The committees will comprise designated representatives from State Parties.

The Committee on Trade in Goods will facilitate the operation of the Protocol on Trade in Goods. The Committee has established Sub-Committees responsible for the operationalisation of the annexes of the Protocol on Trade in Goods.

The Committee on Trade in Services will facilitate the operation of the Protocol on Trade in Services. The Committee has established Sub-Committees responsible for the operationalisation of specific areas the Protocol on Trade in Services.

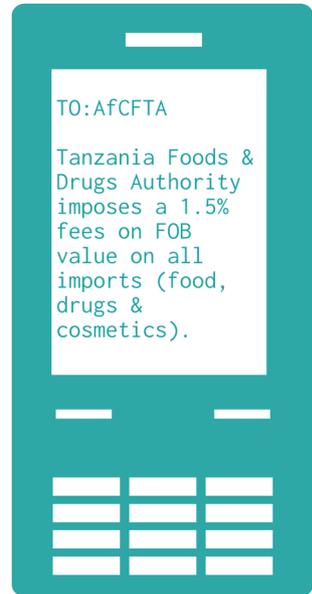
During its 5th Meeting held on 3 May 2021, the AfCFTA Council of Ministers established the following Committees on Investment, Competition Policy, Intellectual Property Rights, Digital Trade, and Women and Youth in Trade to facilitate the negotiations in these areas and assist with the implementation of the Protocols thereof.



Other AfCFTA initiatives

African Trade Observatory: the African Trade Observatory (ATO) aims to create a continent-wide trade information portal to facilitate intra-African trade and to support the roll-out of the AfCFTA. The ATO will seek to collect trade-related data from member states and provide trade intelligence to both market players and governmental and non-governmental agencies. The ATO will also include services trade, exchange rate and competitiveness indicators, internal tax data and foreign direct investment data.

The **AfCFTA Online Mechanism for Reporting, Monitoring and Elimination of NTBs*** provides a facility for online reporting of identified non-tariff barriers (NTBs) including for reporting via SMS. Reported NTBs and the status of their resolution can be accessed on the public domain. Various informative pages on the website, including FAQs, assist in the use of the system. NTB notifications will be received by the focal points of the reporting country, the responding country and the AfCFTA Secretariat for processing. In a non-public space, the system then allows information exchange between the concerned State Parties to monitor and resolve NTBs.

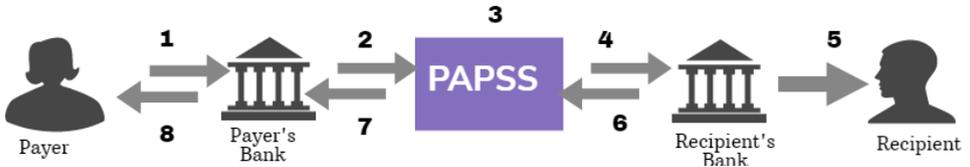


* Available at <https://tradebarriers.africa/about>

Pan-African Payment and Settlement System

The Pan-African Payment and Settlement System (PAPSS), developed by the African Export Import Bank (Afreximbank) in collaboration with the African Union and AfCFTA Secretariat, is a cross-border, financial market infrastructure for enabling payment transactions across Africa. PAPSS allows for payment and settlements using local currencies.

How does PAPSS work?



1. Payer pays for a transaction in local currency through his/her bank in country A.

2. Payer's bank sends a message to PAPSS with all the payment details

3. PAPSS validates the payment

4. Payment instruction is sent to the Recipient's bank in country B to validate the details of the recipient account.

5. Recipient banks notifies the recipient of the funds credited in local currency (Optional)

6. PAPSS changes the status of the transaction to final

7. The Payer's bank is notified of the outcome of the transaction (Optional)

8. The Payer is notified of the outcome

Intra-African trade at a glance

For 2020* intra-African exports were valued at US\$62 billion; 16% of Africa's world exports. Between 2019 and 2020 intra-Africa exports and Africa's world exports declined by 27% and 21%, respectively.

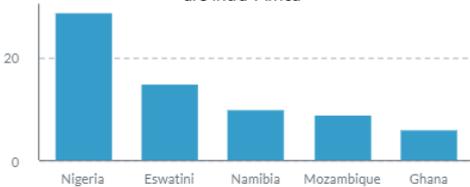
- South Africa is the main intra-Africa exporter and importer; (accounting for 32% of intra-Africa exports and 13% of intra-Africa imports). However, between 2019 and 2020, South Africa's intra-Africa exports and imports declined by 18% and 28%, respectively.
- Other main intra-African exporters include Nigeria, DRC, Egypt, Zimbabwe, Kenya, Tanzania and Morocco, accounting for 39% of intra-Africa exports.
- 17% of intra-Africa exports are mineral fuels, followed by exports of machinery (5%), precious stones (5%), ores (4%) and copper (4%).
- Apart from South Africa, all other main intra-Africa importers except Uganda are also in SADC member states (Botswana, Namibia, Zimbabwe and Mozambique). Between 2019 and 2020, Uganda and Zimbabwe's intra-Africa imports increased by 41% and 32%, respectively.
- The biggest portion of Africa's world exports of cereals, soap, milling products, explosives and photographic equipment are intra-Africa exports.

* Intra-Africa data is based on the up-to-date trade data from 33 African countries as of end of December 2021

Intra-Africa imports

#1 South Africa

13% of intra-Africa imports; 11% of South Africa's imports are intra-Africa



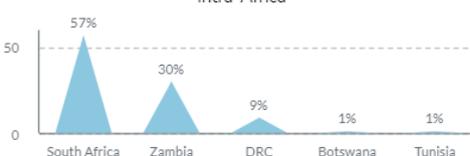
#2 Botswana

8% of intra-Africa imports; 68% of Botswana's imports are intra-Africa



#3 Namibia

8% of intra-Africa imports; 67% of Namibia's imports are intra-Africa

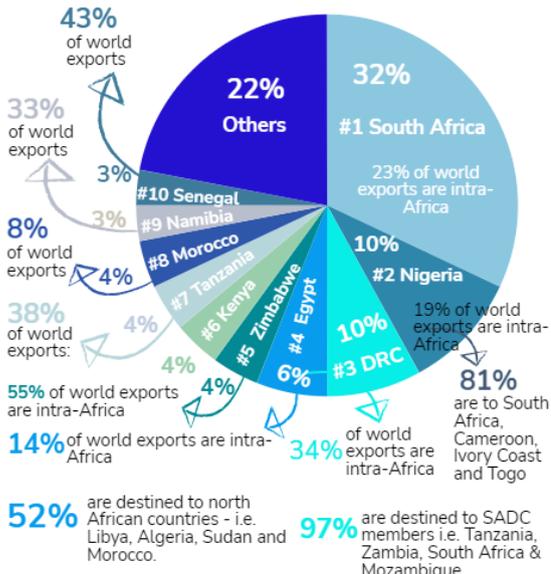


Intra-Africa exports

The main destination markets are all located in southern Africa =



The main export products are mineral fuels + machinery + precious stones



Sources: ITC TradeMap 2021, tralac calculations

Intra-REC trade*

In 2020, 53% of intra-Africa exports were exports among SADC member states (i.e. intra-SADC). The share of intra-SACU exports was 35%, and intra-CEN-SAD was 19%. The respective intra-Africa exports share of intra-COMESA, intra-ECOWAS, intra-EAC, intra-IGAD and intra-ECCAS were 15%, 11%, 5%, 4% and 1%. The data shows that most countries trade more with their REC counterparts.

Intra-REC intra-Africa exports

Overlapping membership - SADC & SACU

	Intra-SACU as % of intra-Africa	Intra-SADC as % of intra-Africa	% Intra-SADC excluding SACU	% to the rest of Africa
South Africa	41%	88%	47%	12%
Namibia	72%	99%	27%	1%
Botswana	89%	99.7%	11%	0.3%

Overlapping membership - SADC & COMESA

% to the rest of Africa	% Intra-COMESA excluding SADC	Intra-COMESA as % of intra-Africa	Intra-SADC as % of intra-Africa	
0.1%	20%	38%	73%	Madagascar
3%	37%	60%	61%	Malawi
0.6%	16%	50%	86%	Mauritius
39%	7%	38%	54%	Seychelles
0.7%	64%	77%	94%	Zambia
0,003%	7%	10%	93%	Zimbabwe

Overlapping membership - ECOWAS & CENSAD

	Intra-ECOWAS as % of intra-Africa	Intra-CENSAD as % of intra-Africa	% Intra-CENSAD excluding ECOWAS	% to the rest of Africa
Ivory Coast	87%	89%	99%	1%
Benin	69%	93%	50%	7%
Burkina Faso	89%	88%	41%	11%
Nigeria	35%	35%	7%	64%
Senegal	89%	86%	68%	5%
Togo	97%	97%	43%	81%

Eswatini = 74%, 83% and 9% of respective intra-Africa exports are intra-SACU, intra-SADC & intra-COMESA; 17% are to the rest of Africa

Mozambique = 99% of intra-Africa exports are intra-SADC

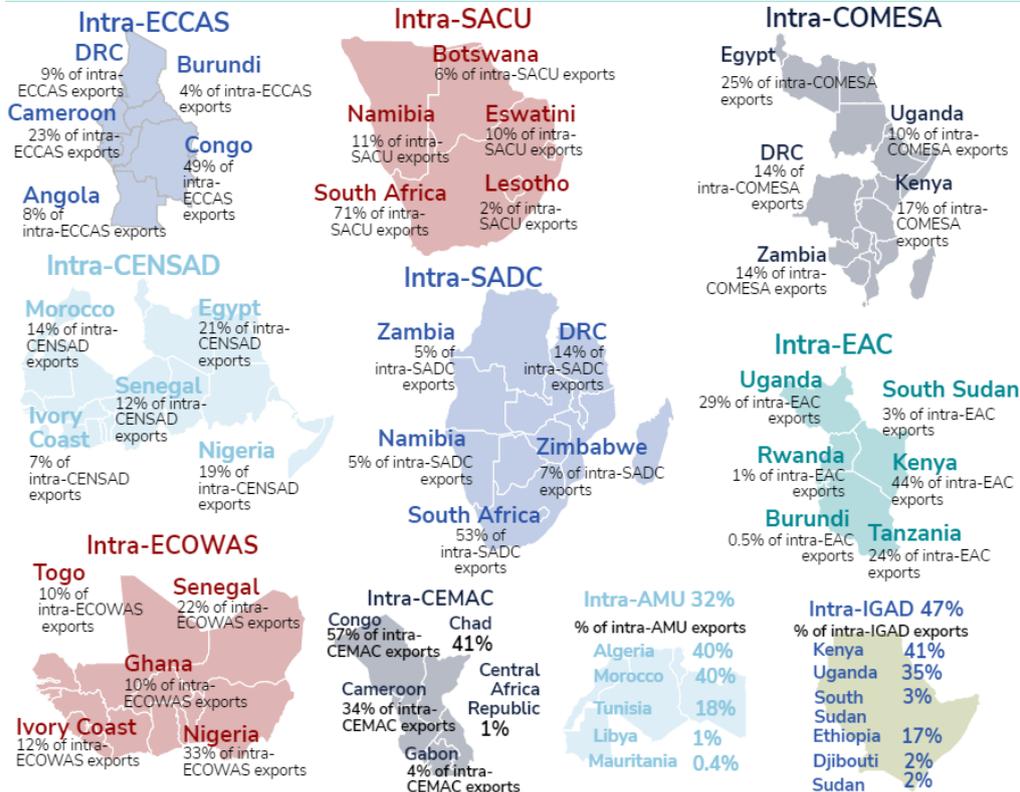
Cape Verde = 19% of intra-Africa exports are intra-ECOWAS

Egypt = 59%, 64 & 22% of intra-Africa exports are intra-COMESA, intra-SADC and intra-CENSAD excl COMESA; 31% are to the rest of Africa



* Measuring intra-REC trade is complicated by overlapping membership to different RECs and bilateral trade agreements in place. Accordingly, it is difficult to gauge under which agreement countries are trading with one another.

Main intra-REC exporters



Sources: ITC Trademap 2021, tralac calculations

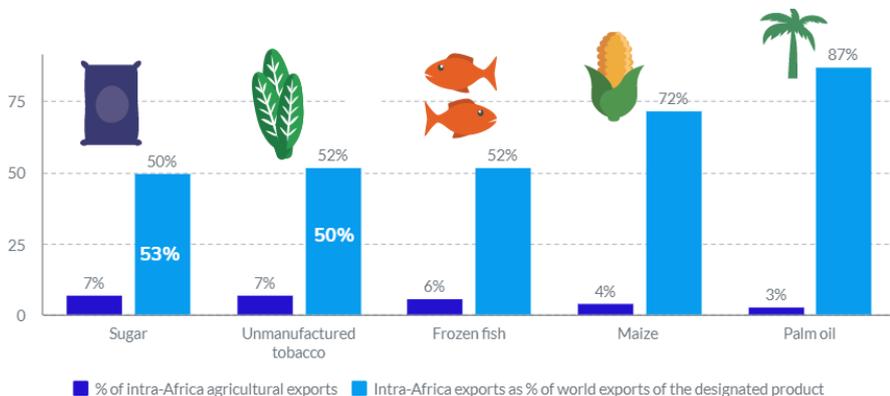
Agricultural trade

In 2020, total intra-African agricultural trade was valued at US\$26 billion (US \$13.5 billion exports and US\$12.3 billion imports) representing some 22% of total intra-African exports and 22% of intra-African imports. Only 22% of Africa's total agricultural exports are intra-Africa exports, while only 14% of Africa's total agricultural imports are sourced from within the continent.

South Africa is the main exporter of agricultural products to the rest of the continent, followed by Zimbabwe, Kenya, Egypt and Uganda.

South Africa, Botswana, Zimbabwe, Namibia and Kenya are the main intra-Africa agricultural importers. South Africa mainly imports raw sugarcane. Botswana and Zimbabwe mainly maize. Namibia and Kenya mainly import sugarcane.

Main intra-Africa agricultural export products



■ % of intra-Africa agricultural exports ■ Intra-Africa exports as % of world exports of the designated product

Intra-Africa agricultural trade

South Africa (29%)

Main products & destination markets

Maize

64% of South Africa's world maize exports



Main destinations:

Zimbabwe, Botswana & Mozambique

Food preparations

82% of South Africa's world food preparations exports



Main destinations:

Zimbabwe, Mozambique & Namibia

Cereal

98% of South Africa's world cereal exports



Main destinations: Mozambique, Lesotho & Zimbabwe

Apples

25% of South Africa's world apple exports



Main destinations: Nigeria, Senegal & Kenya

Zimbabwe (7%)

Main destinations & products

Unmanufactured tobacco

All of Zimbabwe's world unmanufactured tobacco exports is intra-Africa



Main destinations:

South Africa & Mozambique

Sugar

99% of Zimbabwe's world sugar exports



Main destinations: Kenya, Mozambique & Botswana

Manufactured tobacco

All of Zimbabwe's world manufactured tobacco exports is intra-Africa



Main destinations: Mozambique, South Africa & Zambia

Kenya (7%)

Main products & destinations

Tea

25% of Kenya's world tea exports



Main destinations:

Egypt, Sudan & Nigeria

Palm oil

99% of Kenya's world palm oil exports



Main destinations: Uganda, Rwanda & DRC

Cigars & Cigarettes

98% of Kenya's world cigar & cigarettes exports



Main destinations: Somalia, Rwanda, DRC

Egypt (7%)

Main export products

Wheat flour

67% of Egypt's world wheat flour exports



Main destinations: Eritrea, Somalia & Madagascar

Soya-bean oil

71% of Egypt's world soya-bean oil exports



Main destinations: Algeria, Eritrea & Mauritius

Sugar

53% of Egypt's world sugar exports



Main destinations: Kenya, Sudan & Libya

Uganda (6%)

Main destinations & products

Coffee

22% of Uganda's world coffee exports



Main destinations: Sudan, Morocco & South Africa

Tea

99% of Uganda's world tea exports



Main destinations: Kenya

Sugar

99% of Uganda's world sugar exports



Main destinations: South Sudan, Kenya, DRC

Sources: ITC Trademap 2021, tralac calculations

Trade in Commodities

Commodities include both agricultural and non-agricultural goods. The main intra-Africa commodities exports include petroleum oils, gold, petroleum gas, ores and concentrates and limited agricultural commodities*.

Traded commodities include:

Energy — natural gas & oil —14% of intra-Africa exports

Precious metals — gold —3% of intra-Africa exports

Industrial metals—copper, nickel & iron ores — 3% of intra-Africa exports

Agriculture—including sugar, maize, palm oil and cocoa — 6 % of intra-Africa exports

According to the data, only 9% of petroleum gas, 6% of gold and 6% of iron ores remain on the continent. However, almost all live cattle and chicken remain on the continent.

Gold is mainly exported by Tanzania, Namibia & Zimbabwe; almost all of which destined for Uganda & South Africa. Most of the petroleum gas exports are by Algeria. Most of the maize exports are from South Africa, 44% is destined for Zimbabwe. DRC and South Africa account for 88% of intra-Africa copper ores exports, and 64% of these are destined for Zambia.

* Diamonds are excluded here due to it not being a standardised commodity like gold as each diamond has its own cut, clarity, colour & size that determines its value. Accordingly intra-Africa diamond trade is included under trade in non-commodity and non-agriculture products.

Intra-Africa trade in specific commodities

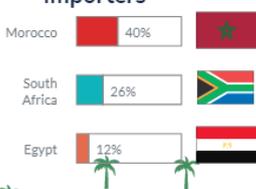


Petroleum gas

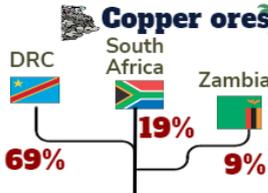
Exporters



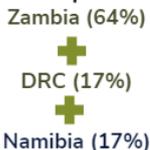
Importers



Copper ores



97% of intra-Africa exports are by DRC, South Africa & Zambia



99% of intra-Africa imports are destined for Zambia, DRC & Namibia



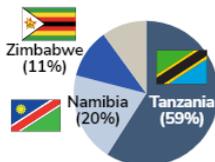
Maize

- Intra-Africa maize exports are mainly by South Africa (67%). Other exporters include Uganda (12%) & Zambia (7%).
- 44% of intra-Africa maize exports are to Zimbabwe, 10% to Botswana & 9% to Mozambique



Gold

- Almost all exports are from Tanzania, Namibia & Zimbabwe
- 80% of imports destined for Uganda and 12% for South Africa



Palm oil

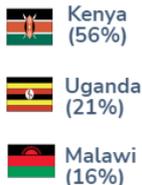


60% of intra-Africa exports are by Kenya (25%), Ghana (22%) & Togo (14%).

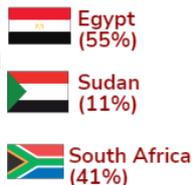
58% of intra-Africa exports are to Senegal (32%), Ethiopia (14%) & Niger (12%)

Tea

Intra-Africa exporters



Intra-Africa importers



Sources: ITC Trademap 2021, tralac calculations

Non-commodity, non-agriculture trade

Non-commodity and non-agriculture trade covers trade in neither commodities nor agricultural products and include flexible tubing, vessels, electrical energy, diamonds, motor vehicles and cement.

Main intra-Africa export products

% of world exports
of a product which
are intra-Africa
exports

100%

23% of Africa's world non-commodity, non-agriculture exports are intra-Africa

All exports of flexible metal tubing, sulphur, railway wagons, cyanides & titanium oxides are intra-Africa exports

80%-99%

Quicklime, prepared explosives, tractors, electrical energy, motorcycles, prepared binders & cement

60%-79%

Plastic packaging, Gypsum, paper packaging, data processing machines, woven cotton fabrics, steel structures & beauty products

40%-59%

Plastic tubing, steel bars, cruise ships, medicines, new pneumatic tyres, footwear, salts & products from flat-rolled steel

20%-39%

Electrical transformers, furniture, light vessels, powered aircraft, medical instruments, goods vehicles & fertiliser

<20%

Sawn wood, diamonds, circuit breakers, t-shirts, ferro-alloys, men's suits, coal, insulated wire, refined copper & passenger vehicles

Sources: ITC Trademap 2020, tralac calculations

#1 Electrical energy



99% of Africa's world exports of electrical energy are intra-Africa

Intra-Africa exporters

South Africa (45%)

Mozambique (26%)

Intra-Africa importers

South Africa (19%)

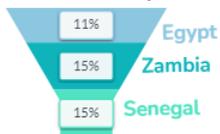
Botswana (15%)

#4 Cement

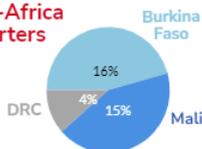
90% of Africa's world exports of cement are intra-Africa



Intra-Africa exporters



Intra-Africa importers



#2 Vessels

94% of Africa's world exports of vessels are intra-Africa

99.9% intra-Africa exports of vessels are by Nigeria

Intra-Africa importers

Cameroon (56%)

Equatorial Guinea (56%)

#5 Goods vehicles

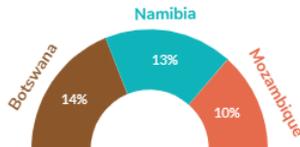


30% of Africa's world exports of goods vehicles are intra-Africa

84% of intra-Africa export of goods vehicles are by South Africa



Intra-Africa importers



#3 Diamonds

14% of Africa's world exports of diamonds are intra-Africa

Intra-Africa trade of diamonds is mainly between Botswana, Namibia & South Africa

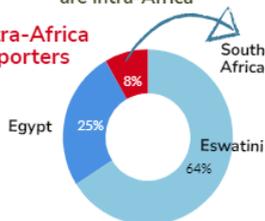


#6 Food/beverage additives

81% of Africa's world exports of food/beverage additives are intra-Africa



Intra-Africa exporters



50% of intra-Africa exports of food/beverage additives are destined for South Africa (37%) and Nigeria (13%).



Intra-African tariffs

Many African countries trade under the free-trade areas of their regional economic communities (RECs), with reduced or zero tariffs and members of fully fledged customs unions such as SACU trade duty-free with one another. Tariffs are therefore highest between those countries that do not already have a preferential agreement in place, they trade under the Most Favoured Nation (MFN) terms.

Non-REC intra-Africa tariffs

Ethiopia is a member of COMESA, but still in the process of joining (or acceding) to the COMESA FTA. It also belongs to IGAD which does not have an FTA.

ETHIOPIA



General tariff on goods from outside COMESA

 Malt extract, passenger vehicles, food preparations (n.e.s) (30%)

 Flasks, Tv reception apparatus (20%)

*PAFTA and AGADIR members have duty-free access to **Egypt's market**, while imports from COMESA (except Eswatini & DRC) are granted preferential access. CENSAD is not yet an FTA.*

EGYPT



MFN tariffs on goods from outside PAFTA, AGADIR & COMESA

 Fresh peaches, plums & apricots (60%)

 Iron/steel articles (30%)

 Plastic seats and covers (40%)

Kenya is party to 4 RECs in Africa, however, the CENSAD and IGAD preferential arrangements are not yet in force. Countries that are members of COMESA and the EAC enjoy preferential access into Kenya.



MFN tariffs (EAC CET) on goods from outside EAC & COMESA



Assembled diesel passenger vehicles (25%)



Apples (100% or USD 460/MT whichever is higher)



Maize (50%)

South Africa is a member state of both SACU and SADC. SACU is a customs union with duty-free intra-SACU trade and a common external tariff applicable to all goods entering from outside the Union.



MFN tariffs (SACU CET) on goods from outside SACU & SADC



Cotton t-shirts (45%)



Tobacco (860c/kg less 85% with a maximum of 44%)



Soaps with medical applications (20%)

Senegal is a member of ECOWAS and CENSAD. CENSAD is not yet an FTA. All qualifying goods, under the ECOWAS Trade Liberalisation Scheme (ETLS) imported from approved ECOWAS producers into Nigeria enter duty-free.



MFN tariffs (ECOWAS CET) on goods from outside ECOWAS



Potatoes (35%)



Apples (20%)



Grapes (20%)

MFN applied tariffs for key

	Non-industrial diamonds	Unmanufactured tobacco	Portland cement	Palm oil
CEMAC CET	30	10	20	30
EAC CET	25	25	25	10; 25 or US\$500/MT*
ECOWAS CET	5	5	20	10; 35
SACU CET	0	860c/kg less 85% with a maximum of 44%	0	10
Algeria	30	15	15	5
Angola	10	60	50	10
Cabo Verde	40	0	5	5
DRC	20	5	10	20
Djibouti	26	26	26	13
Egypt	0	9.000 pounds/net kg	0	0
Ethiopia	35	20	10	0
Madagascar	20	10	10	10
Malawi	25	25	10	25
Mauritania	5	20	20	10
Mauritius	0	15	0	0
Morocco	2.5	17.5	17.5	30
Mozambique	20	2.5	7.5	20
Tunisia	10	15	0	10
Zambia	25	25% or KR15 per mille/kg whichever is higher	5	5
Zimbabwe	5	10	15	40

Sources: ITC MacMap 2021

intra-Africa imports (%)

	Maize	Passenger vehicles	Beer	Coffee	Sugar
CEMAC CET	30	30	30	5; 30*	30
EAC CET	50	0; 25*	25	25	100% or US\$460/MT
ECOWAS CET	5	0; 10; 20; 35*	20	10	20
SACU CET	0	20; 25*	5	0	476.61c/kg
Algeria	5	0	60	30	30
Angola	30	0	60	50	10
Cabo Verde	20	40	50	5	5
DRC	10	10	20	5	20
Djibouti	1	26	26	26	13
Egypt	0	10	1200	0	5
Ethiopia	5	0	35	30	5
Madagascar	10	5	20	20	10
Malawi	0	25	25	25	25
Mauritania	5	5	20	10	5
Mauritius	0	0	15	0	80
Morocco	2.5	2.5	49	10	30
Mozambique	7.5	5	20	20	7.5
Tunisia	0	0	36	15	0
Zambia	15	0	25	25	25
Zimbabwe	0	40	25	40	10% + US\$100/t

* The import tariff varies depending on which specific product at national tariff line level is imported.

Trade in Services

Africa's services exports declined by 35% between 2019 and 2020.

The implementation of services liberalisation commitments and regulatory frameworks under the AfCFTA will be crucial for achieving the objectives of Africa's integration agenda. State Parties have decided to schedule commitments in 5 priority sectors, as a starting point: financial services, travel, transport, business services and communications.

Exports: 5 priority services sectors (2020)



Travel services
(23%)



Transportation services
(27%)



Financial services
(2%)



Business services
(11%)



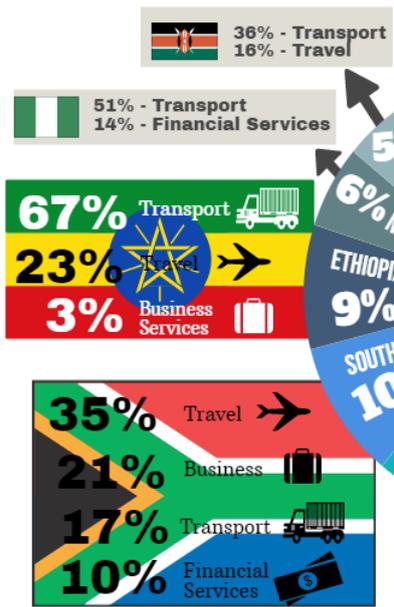
Telecommunication services
(3%)



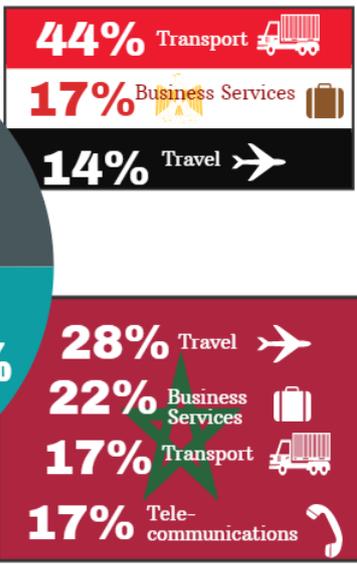
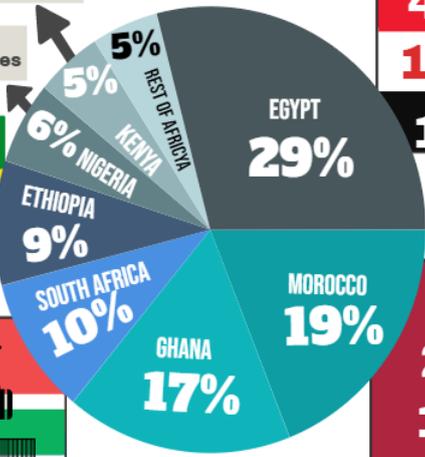
Other services
(34%)

AFRICA'S SERVICES IMPORTS

15% of Africa's services imports are destined for Nigeria (mainly technical business services, personal travel and sea transport services). 14% are destined for Egypt (mainly sea transport and technical business services). 8% of Africa's services imports are destined South Africa (mainly freight transport and technical business services).



AFRICA'S SERVICES EXPORTS



Source: ITC TradeMap 2021 & tralac calculations

Trade facilitation

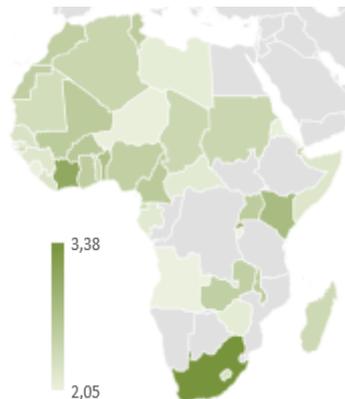
High transport costs, delays, port inefficiencies and cumbersome border procedures can have a more negative impact on the trade of goods than any tariffs.

Annex 4 of the AfCFTA Protocol on Trade in Goods sets out rules that seek to address specific procedural hurdles in order to facilitate trade procedures. This Annex presents a significant opportunity for State Parties to reap the economic benefits from improving the speed and efficiency of border procedures.

Logistics performance index

The World Bank **Logistics Performance Index (LPI)** is based on a survey of freight forwarders and express carriers. It ranks countries on customs, international shipments, quality and competence, tracking and tracing, timeliness and infrastructure. A higher score indicates higher performance. South Africa, Ivory Coast, Egypt, Kenya, Benin and Mauritius are the best performing African countries. Angola, Burundi, Niger, Sierra Leone and Eritrea the lowest scoring African countries.

Source: World Bank



OECD trade facilitation indicators

The **OECD trade facilitation indicators** assess a range of facilitation areas including information availability, fees and charges, border agency cooperation, governance and impartiality, documents and governance. Mauritius, South Africa, Morocco & Kenya are, on average, the best performers on trade facilitation, while Sudan, Burun-di, Comoros, Chad and Djibouti are the weakest performers.

Selected country scores for designated measures

Availability of trade-related information		Automation of the trade administration process		Good governance—transparency, efficiency & compliance	
Mauritius	1.76	Mauritius	1.85	Mauritius	1.89
South Africa	1.62	South Africa	1.9	South Africa	1.78
Morocco	1.50	Morocco	1.54	Morocco	2.00
Kenya	1.35	Kenya	1.40	Kenya	1.44
Comoros	0.55	Comoros	0.22	Comoros	--
Chad	0.11	Chad	0.40	Chad	0.00
Djibouti	0.42	Djibouti	0.11	Djibouti	0.13

About tralac

(Trade Law Centre) **tralac** is a public benefit organisation based in South Africa. We develop technical expertise and capacity in trade governance across Africa.

We are committed to the principles of rules-based governance at the national, regional and international levels. We believe that better governance and strong institutions are essential elements for inclusive and sustainable growth. tralac's activities are anchored on three pillars.



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