Africa is bound to face a significant economic downturn as a result of the COVID-19 pandemic. Recent projections show that Africa’s GDP could contract in 2020 by 3.4% if the pandemic continues beyond the first half of 2020, pushing the region to its first recession in over two decades (AfDB, 2020). Although all sectors of the economy are expected to be adversely affected by the COVID-19 crisis, agricultural workers, in particular, are among the most vulnerable. Before the COVID-19 outbreak, 135 million people, the majority of them in Africa, were already experiencing hunger that threatened their lives and livelihood—and this number is projected to double by the end of 2020 due to the coronavirus pandemic (WFP, 2020).

The on-going pandemic could affect Africa’s agricultural sector through at least three channels. First, public policies designed to flatten the COVID-19 curve, such as physical distancing restrictions and shutdowns of businesses, disrupt agricultural markets and demand for farm products. Furthermore, restrictions on trade across borders imposed by most African countries accentuate the negative effects of COVID-19 on the agricultural sector, especially for women in the informal sector. Second, the pandemic could lead to a loss of employment for many actors along the food value chain, such as traders and small transporters. In turn, this could affect the distribution of food to and from the farm gates, increase consumer prices, and thus exacerbate the

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food insecurity of vulnerable individuals such as low-income workers and the unemployed. Third, due to the contraction of global demand, African exports of agricultural products are likely to decline; in some food-exporting countries, disruptions are being observed in specific sectors such as horticulture in South Africa and cocoa in West Africa.

To address all the damage that the COVID-19 pandemic is likely to cause Africa’s agricultural sector, we must focus on the areas that needed urgent improvement even before the pandemic arrived. In particular, COVID-19 has highlighted the following structural deficits of Africa’s agricultural sector. First, the pandemic has exposed the strong interconnectedness of the global agricultural economy, as well as the risks associated with an undeveloped and undiversified domestic agro-processing model, as recently instituted travel bans have almost universally made it difficult to import food. This is particularly alarming because Africa as a whole has been a net food importer since the 1970s (Rakotoarisoa et al., 2012): its annual food imports are projected to rise to about US$110 billion by 2025 (AfDB, 2016) and its food trade deficit has been averaging about US$18–20 billion in recent years. Second, the composition of African food exports is still predominantly low-value primary and unprocessed agricultural commodities, while food imports are mostly high-value processed food. This persistent problem inhibits the development and competitiveness of Africa’s agricultural sector and its contribution to economic growth. Third, the over-reliance of the continent to global food value chains has exhibited its vulnerability to global shocks. Africa’s share of global trade is only 3.2% and its intra-regional trade is almost the lowest in the world, at 15% of total trade over 2015–2017, compared with 47% for the Americas, 61% for Asia, and 67% for Europe (Kanu et al., 2014; UNECA, 2015; Shaw and Fanta, 2016; UNTAD, 2019).

While there are no magic bullets to address these structural challenges, in our opinion efforts to support regional integration of Africa’s food markets and promote intra-African food trade should be prioritized and scaled up. There are indeed many potential benefits to expanding intra-African food markets, particularly in a post-COVID-19 world. For instance, empirical evidence suggests that strong regional market integration via trade openness (especially export promotion) boosts national economic growth (Frankel and Romer, 1999; Awokuse 2003). The European Union, the United States, China, Vietnam, and Taiwan, China are successful examples of trade serving as an “engine of growth”. A direct benefit of expanded food trade is the facilitation of a more diversified and vibrant cross-border agro-processing model, as recently instituted travel bans have almost universally made it difficult to import food. This persistent problem inhibits the development and competitiveness of Africa’s agricultural sector and its contribution to economic growth. Third, the over-reliance of the continent to global food value chains has exhibited its vulnerability to global shocks. Africa’s share of global trade is only 3.2% and its intra-regional trade is almost the lowest in the world, at 15% of total trade over 2015–2017, compared with 47% for the Americas, 61% for Asia, and 67% for Europe (Kanu et al., 2014; UNECA, 2015; Shaw and Fanta, 2016; UNTAD, 2019).

Accelerating the implementation of the AfCFTA agreements, including by addressing bottlenecks, will benefit the continent in many ways. For instance, under the simplest scenario—whereby African countries can only remove their own bilateral tariffs while adhering to simple rules of origin—simulations have shown that the continent could gain around US$2.8 billion in real income and increase intra-African trade by 15% (AfDB, 2019). Deeper integration could bring even greater benefits to intra-African trade in general and food trade in particular. In the case of total integration—including the removal of bilateral tariffs, adoption of the Trade Facilitation Agreement on the most favored nation basis, and increased market access in other developing countries—African countries could experience an increase in real income of US$134 billion and a boost in intra-African trade of 110%. This means that well-functioning and integrated national and regional food markets are critical to effectively addressing the challenges of food insecurity in Africa, especially now during a global pandemic.

Although AfCFTA will not probably be able to start functioning on its scheduled start date of July 1, 2020, because of COVID-19
and the related containment measures and restrictions on trade and movement of people, there is a renewed urgency to implement the agreement. Important negotiations to complete some pending technical elements—such as the rules of origin for some sensitive sectors including the agricultural sector, and the exchange of tariff concessions on trade in goods—which were suspended due to the pandemic, should resume as soon as possible to ensure that AfCFTA is not unnecessarily delayed. This is crucial for the future of the agricultural sector and its structural transformation (Jayne et al., 2016). This also means that, in the short term, African policymakers should avoid anti-COVID-19 policy responses that could undermine the AfCFTA agreements. For instance, although import- and export-restricting measures are understandable to contain the spread of the coronavirus, it is also important to establish safe trade and travel corridors that minimize disruptions to agricultural supply chains as much as possible and maintain the provision of essential food items.

Furthermore, as African countries start to reopen their economies and ease confinement measures, it is also equally important to think of structural agricultural reforms that could facilitate the success of the AfCFTA agreements and maximize their impact. Such reforms could include, for instance, agricultural infrastructure development to ensure productivity growth and boost food production; increased uptake of improved technologies and modern inputs to enhance competitiveness of the agricultural sector; removal of labor, land, and financial market failures that impede technology adoption and efficient resource allocation; and better connection of farmers to agricultural markets to increase their revenues. These reforms are particularly essential in the context of rapidly growing populations and increased levels of urbanization in most African countries, which necessitate substantial growth in food production.

The on-going COVID-19 pandemic is a wake-up call for African countries and presents unique opportunities to speed up Africa's integration agenda and implementation of AfCFTA agreements. This is important to reduce the impact of COVID-19 and any future pandemics, enhance food security, and foster economic growth on the continent.

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