

African Continental Free Trade Agreement (AfCFTA)



Comparative analysis of tariff offers

36 countries have deposited their instruments of ratification of the AfCFTA; 41 countries have submitted their schedules of tariff concessions. The tariff offers available are those of CEMAC, EAC, ECOWAS, SACU, Malawi, Mauritius, and São Tomé and Príncipe. These are compared to determine the product and tariff line coverage of the tariff offers.

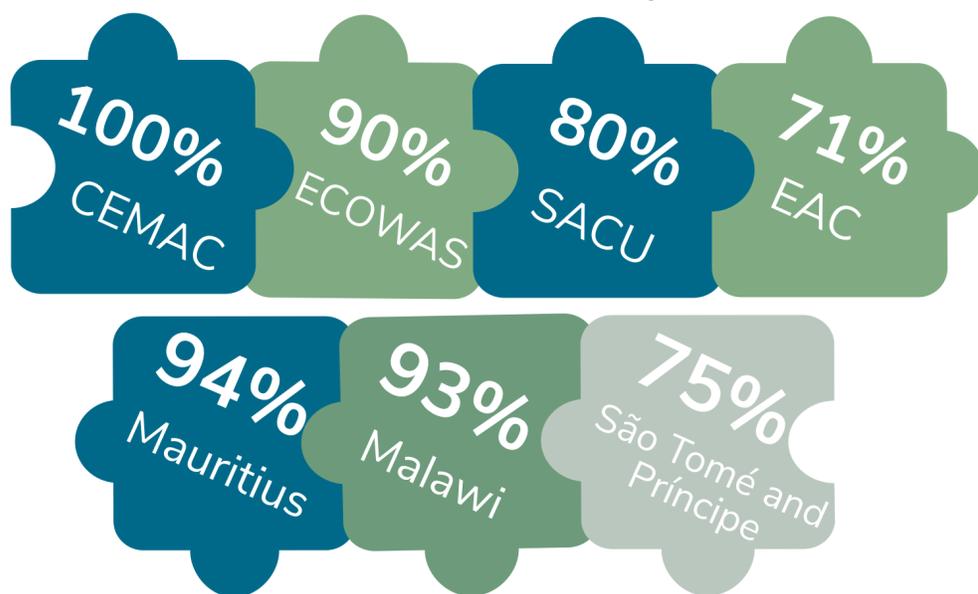
Tariff and rules of origin (RoO) negotiations are not yet complete. Agreed RoO cover approximately 81% of tariff lines. June 2021 is the deadline to complete the RoO and tariff negotiations. There is an interim arrangement for trade to take place from 1 January 2021. Trade in goods, for which RoO are finalised, can take place under the tabled tariff offers. These offers must comply with the agreed modalities for tariff negotiations:

- tariffs on 90% of tariff lines are to be eliminated. These are tariffs on non-sensitive goods. Non-Least Developed Countries liberalise tariffs of non-sensitive goods over 5 years and Least Developed Countries (LDCs) over 10 years.
- 7% of tariff lines can be sensitive goods. Non-Least Developed Countries liberalise tariffs of sensitive goods over 10 years and LDCs over 13 years.
- 3% of tariff lines can be excluded from liberalisation. The value of these imports may not exceed 10% of total intra-Africa imports.

The base rates for tariff offers are the applied Most Favoured Nation (MFN) tariffs for individual countries and the applied Common External Tariffs (CETs) for customs unions and ECOWAS.

TARIFF LINE COVERAGE

% of MFN/CET tariff lines covered by tariff offers



- CEMAC's schedule of tariff commitments includes tariff offers for non-sensitive and sensitive goods and the products excluded from liberalisation.
- For SACU, the tariff offer covers only non-sensitive goods with agreed RoO. Tariff offers will be finalised once all RoO are agreed.
- For ECOWAS, Malawi, EAC, and São Tomé and Príncipe the tariff offers are for non-sensitive goods. The tariff offers include goods with and without agreed RoO.
- 94% of Mauritius' MFN applied tariffs are duty-free. Mauritius has tabled this list of 94% of tariff lines (which are already duty-free at MFN) as its tariff offer. Products not included in the tariff offer are flour, sugar, alcoholic beverages, wooden beams and doorframes, paper serviettes and tablecloths, and smoking pipes.

PHASE-DOWN PERIOD

- The phase-down period in the Malawian offer is 15 years. The offer dates from November 2019. At that time, six LDCs (the G6 including Ethiopia, Madagascar, Malawi, Sudan, Zambia, Zimbabwe) requested a 15-year phase-down for non-sensitive goods, but then withdrew this request in Feb 2020. An updated Malawian tariff offer that complies with the agreed modalities is not available.
- The phase-down period in the Mauritian tariff offer is 15 years. This does not impact the analysis as products included in the tariff offer are duty-free.
- CEMAC, EAC, ECOWAS, and SACU have LDC and non-LDC member states. **CEMAC, EAC, and ECOWAS: phase-down period of 10 years.**
- SACU: 5-year phase-down period. Exception:** if a customs union with LDC and non-LDC members commit to a 10-year phase-down, the SACU CET will also be liberalised over 10 years. The 10-year phase-down will apply to CEMAC, EAC, and ECOWAS.

Non-Least Developed Countries:

Non-sensitive goods: 5 years
Sensitive goods: 10 years

countries/customs unions implementing this phase-down period:

SACU



Least Developed Countries:

Non-sensitive goods: 10 years
Sensitive goods: 13 years

countries/customs unions implementing this phase-down period:

CEMAC

Cameroon, Central African Republic, Chad, Congo, Equatorial Guinea, and Gabon

EAC

Burundi, Kenya, Rwanda, Tanzania, South Sudan, and Uganda

ECOWAS

Benin, Burkina Faso, Cape Verde, Gambia, Ghana, Guinea, Guinea-Bissau, Ivory Coast, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo

São Tomé and Príncipe

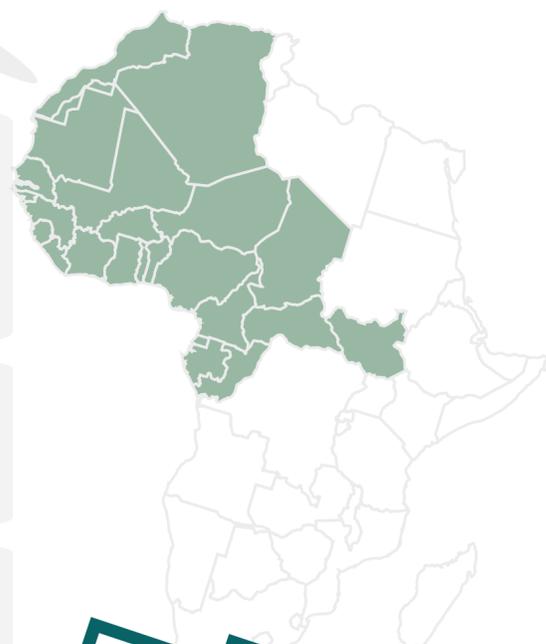
Once updated, Malawi's tariff offer should also fall into this category

LDCs and non-LDCs can retain tariffs on sensitive goods for 5 years; starting liberalisation in year 6.

Malawi

- The Malawian tariff offer is for imports from non-COMESA and non-SADC African countries.
- **The countries are:** CEMAC members, ECOWAS members, Algeria, Mauritania, São Tomé and Príncipe, Morocco, South Sudan, and Sahrawi Arab Democratic Republic.
- The tariff offer includes 7402 tariff lines.
- **Products included:** mostly products with a 25% MFN tariff, followed by duty-free products and those with a 10% MFN tariff.
- **Whole dried capsicum:** only product with a 30% tariff included in the offer.

Non-SADC & non-COMESA countries



36% of the tariff offer

products with a 25% tariff included: frozen offal, fish, milk & cream, butter, cheese, in shell nuts, berries, spices, sugar, chocolate, mineral water, paints & varnishes, beauty products, clothing of textile materials, linen, footwear, ceramics, non-industrial diamonds, appliances, older passenger vehicles, and vehicle parts.

32% of the tariff offer

duty-free products included: grain seeds, starches, gluten for industrial use, oil-cake, oxides & dioxides, sulphates & nitrates, insecticides, fertilisers, yarn & thread, tractor engines, industrial freezers, and construction vehicles.

30% of the tariff offer

products with a 10% tariff included: live cattle, geese & pigs; frozen beef; seafood; buttermilk; malt; crude seed oils; lactose, glucose & fructose; stone & sands; ores & concentrates; paper & paperboard; safety headgear; industrial diamonds; flat-rolled steel; and seafaring vessels.

1 product with a 7.5% tariff:
light fuel oil containing polychlorinated biphenyl

5 products with a 20% tariff:
wheat & meslin flour
coal tar distillates
residual fuel oil
other nylon twine

60 products with a 15% tariff:
jute bags
bags of textile material

54 tariff lines are different types of buses, minibuses and vehicles with seating capacity of more than 11 passengers

81 products with a 5% tariff:
natural gum
propane & butanes
natural gas
rock drilling tools
rolls of paper
coconut fibres
jute woven fabrics
hydraulic engines
ship propellers
liquid meters
electricity meters
propylene
artificial waxes

- Products currently not included in the tariff offer**
- fresh & frozen meat and edible offal
 - fresh potatoes, lettuce, spinach, celery & olives
 - dried peas, beans, lentils & chickpeas
 - fresh fruit & dried apricots, prunes & apples
 - chewing gum & sugar confectionery
 - woven fabric & clothing of cotton
 - tobacco, cigarettes & cigars
 - Portland cement
 - spark-ignition passenger vehicles <5tons
 - diesel goods vehicles weighing <5tons

São Tomé and Príncipe

% of each tariff category included in the tariff offer

duty-free

116 tariff lines

100% are included in the tariff offer
Products include flour, milk & cream, and wooden products

5% tariff

1062 tariff lines

76% are included in the tariff offer
Products include meat preparations, glucose & fructose, medicines, and fertiliser

20% tariff

586 tariff lines

71% are included in the tariff offer
Products include nuts, citrus fruits, avocados, and haircare products

15% tariff

11 tariff lines

None are included in the tariff offer

10% tariff

3693 tariff lines

78% are included in the tariff offer
Products include chocolate, machinery, wool, cotton waste, clothing, and apples

Complete HS chapters not included in the tariff offer

- HS01: live animals
- HS02: meat & edible offal
- HS03: fish
- HS04: dairy products
- HS05: other products of animal origin
- HS06: live animals & cut flowers
- HS09: coffee, tea & spices
- HS21: miscellaneous edible preparations

- HS24: tobacco & tobacco products
- HS25: sands, sulphur & stone
- HS32: paints & varnishes, mastics, inks, pigments & tanning extracts
- HS36: explosives & pyrotechnic products
- HS39: plastics & articles thereof
- HS42: leather articles
- HS87: vehicles & parts thereof
- HS90: optical, photographic, medical & musical instruments
- HS96: miscellaneous manufactured articles