

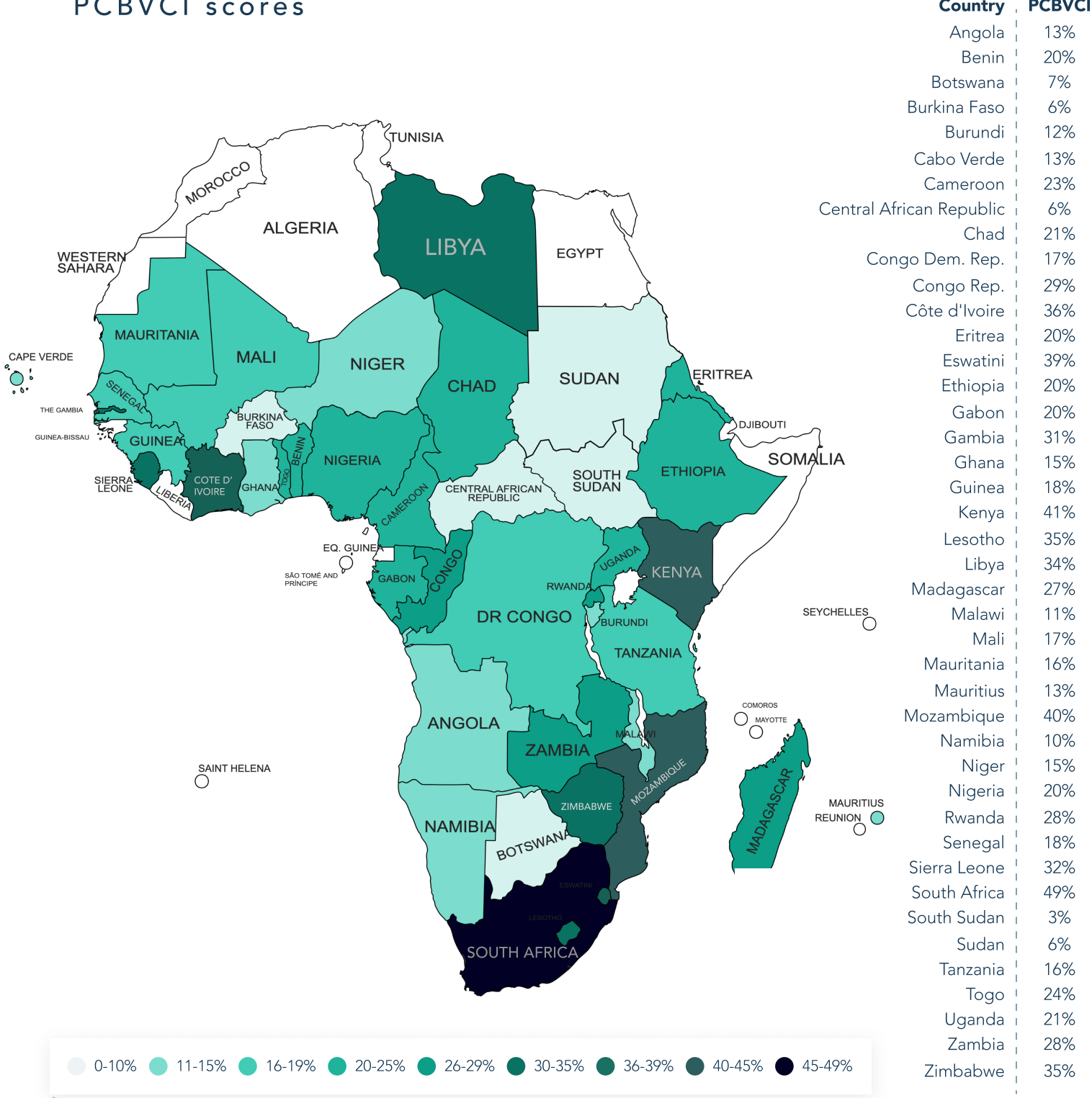
TRALAC

Potential Cross-Border Value Chain Involvement (PCBVCI)

PCBVCI is a new metric by Tralac, to enable analysis of the potential of African countries to participate in intra-African value chains under the AfCFTA.

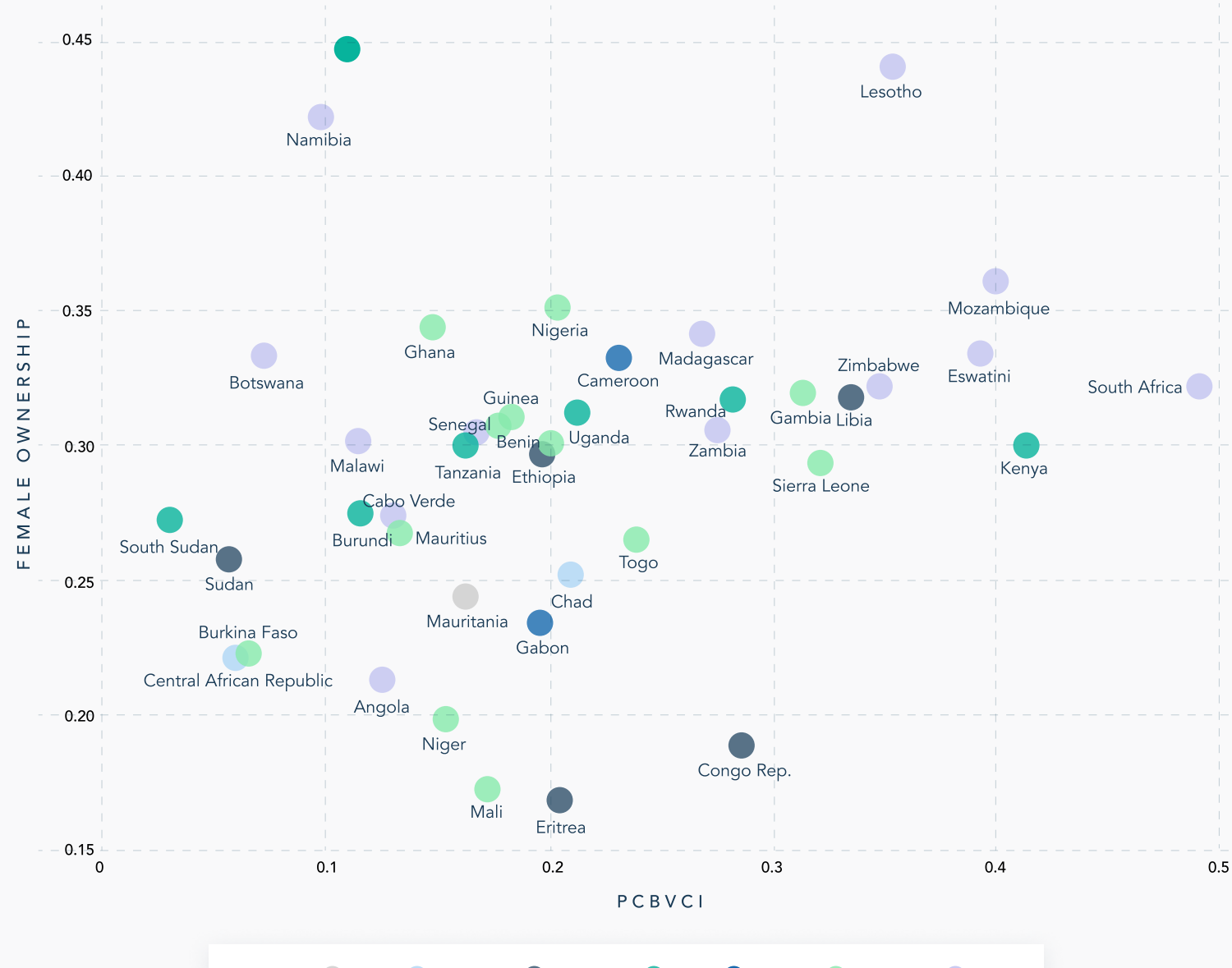
- The PCBVCI score for each country is generated using ten years of **microeconomic enterprise survey data** from the World Bank
- The map shows the aggregate PCBVCI scores for **42 African countries**, for **manufacturing industries**
- The metric gives a higher score to countries whose manufacturing industries add **more value to inputs** and simultaneously have **greater export orientation**

PCBVCI scores



PCBVCI AND GENDER ANALYSIS

- By plotting PCBVCI against female firm ownership data, we can get an idea of how well-positioned **female-owned** African firms are for cross-border value chain trade under the AfCFTA
- The REC membership of each country is colour-coded to help **identify patterns** at the REC level
- It is clear that **SADC** leads the other RECs in terms of female-owned firms' being better positioned for cross-border value chain trade, but there is country variation
- The EAC has wide **variation** in PCBVCI but far smaller variation in female ownership - averaging about 28% - than the other RECs



PCBVCI AND FIRM SIZE

- For Africa as a whole, smaller firms seem to have **better** PCBVCI scores
- This **pattern** is seen in Kenya and Eswatini, but is only very slightly prevalent in South Africa
- However, some smaller, less developed countries such as Burundi, do not show this pattern. This is likely because their smallest firms lack **basic infrastructure and capacity** to export
- The chart also shows **greater variation** between small and large members of RECs, in both REC cases (the EAC and SADC), the smaller members show greater variation among their **PCBVCI preparedness** for different firm sizes

