

# Africa Continental Free Trade Area

*How will it benefit cross border traders?*

This Policy Brief seeks to outline the potential benefits the Africa Continental Free Trade Agreement (AfCFTA) presents to cross border traders (CBT). The paper is informed by analysis of the founding documents of the AfCFTA; published research papers, detailed research reports, grey literature, participation in sensitization and consultative meetings on the AfCFTA; engagements with key experts; published videos on the AfCFTA and other key related processes. In analysing these potential benefits, the researcher used the approach of first building an appreciation of the current opportunities and obstacles that many cross-border traders are facing. Once these are deeply unpacked, one would then relate how the AfCFTA potentially positions CBT to take advantage of current or new opportunities as current and emerging challenges to CBT are ameliorated.

## Overview of the African Continental Free Trade Agreement

### Background

The political and legal journey towards the adoption of the Agreement Establishing the African Continental Free Trade Area started in 2012. This is when the Heads of State and Government of the African Union (AU) adopted the decision to create a Continental Free Trade Area by 2017 at the 18<sup>th</sup> Ordinary Session of the Assembly (African Union, 2012)<sup>1</sup>. It is a flagship project of Agenda 2063 of the African Union that aspires to operate a single market for goods and services, just like the European Union (EU), bringing together 55 countries, with the potential of becoming the largest regional economic bloc in the world based on the number of countries involved (Haruna and Adetoye, 2019).

Establishing the AfCFTA marked the practical journey of

promoting cooperation between African states, the idea that led to formation of the Organisation of African Unity in 1963. In 1980, the OAU adopted the Lagos Plan of Action which suggested Africa should minimize dependence upon the West by promoting intra-African trade. A number of regional cooperation organizations, such as the Southern African Development Coordination Conference, were established at part of this journey. The Abuja Treaty of 1991 created the African Economic Community, and in 2002, the OAU was succeeded by the African Union (AU), accelerating the aspirations for economic integration of the continent and harmonizing policies between existing and future Regional Economic Communities.

The AfCFTA seeks to create a market of 1.2 billion people with a gross domestic product (GDP) of \$2.5 trillion. It is expected to boost intra-Africa trade currently accounting for only 12% of trade for Africa which is significantly lower than in many other regions. Intra-trade in the United States is 50%, 60% in Asia and 70% in Europe (Obe, 2021). Thus, the AfCFTA's evolution is premised on the tenets of

promoting intra-African trade and boosting Africa's trading position in the global market by strengthening Africa's common voice and policy space in global trade. Divergent policies and voices were limiting domestic business growth and foreign investments within the African continent while increasing trade dependence on foreign markets.

The overarching objective behind the AfCFTA is the elimination of tariff and non-tariff barriers amongst the African countries that will be membership of the bloc creating a single market for the goods and services. The agreement will further facilitate movement of persons, thus deepening economic integration of the African continent in pursuit of Agenda 2063. The creation of a single liberalized market will be achieved through successive rounds of negotiations and lays the foundation for the formation of a Continental Customs Union in the future.



The AfCFTA aims to stimulate and achieve sustainable and inclusive socio-economic development. It helps to resolve the challenges of multiple and overlapping memberships to various regional blocs. Moreover, it has been indicated that the agreement will ensure that gender equality and structural transformation of member states is ensured. Further to this, the agreement will foster the competitiveness of the economies of State Parties within the continent and in the global market. The promotion of industrial development through diversification and regional value chain development, agricultural development, and food security is a key objective in this initiative.

In pursuit of the above objectives, state parties will specifically eliminate tariff and non-tariff barriers to trade; liberalise trade in services; cooperate in all trade and customs matters; have a mechanism for settlement of disputes; and an institutional framework for the implementation and administration of the AfCFTA. The larger markets offered by the AfCFTA are expected to generate investments which promotes higher productivity and value addition in the region. As such, more and better jobs, and positive increase in the welfare of the Africans is expected, further enlarging the market. The Covid-19

pandemic and its devastating economic effects pose risks to this expected logic, however, the AfCFTA benefits are expected to boost the economies to catch up with the projected trajectories pre-COVID-19 era. The AfCFTA process is therefore high on the agendas of African policy makers, but also of the international partners who support it and the related continental and regional processes.

## State of the Negotiations and Implementation of the AfCFTA

Trading under the AfCFTA Agreement began on 1 January 2021 when more than 22 countries had ratified the agreement. Fifty-four of the fifty-five AU member States had signed the AfCFTA, except for Eritrea, as at 1 February 2021 (AU, 2019). The process of securing the necessary signatures and ratifications for entry has been sluggish. By February 1 2021, 35 of the African Union's (AU) 55 member States had ratified the agreement. In fact, when implementation commenced on the 1st of January 2021, 54 countries had signed the agreement, 33 countries had ratified, and 40 countries deposited their tariff offers. As of the 20th of April 2021, 36 countries had deposited their instruments of ratification signifying the readiness of the countries to commence trading under the AfCFTA. More countries are expected to join the trading with Algeria's agreement to the AfCFTA having been approved by its cabinet on 16 May 2021 whilst that for Somalia is pending (Tralac, 2021).

## Potential benefits and Channels

The aim of the AfCFTA is to unite approximately 1.2 billion Africans living across 55 countries with a combined Gross domestic product of US\$3.4 trillion (World Bank, 2020). Moving beyond the establishment of this connection, the AfCFTA represents a systematic shift and a deeper integration within the continent by negotiating goods and services contemporarily. The free trade area provides an opportunity for countries in the region to competitively integrate into the global economy, reduce poverty, and promote inclusion (World Bank, 2020). There are hopes that trade will increase through the AfCFTA and provide an incentive for reforms that seeks to create jobs, increase productivity and work to improve poverty eradication. According to the World Bank report the implementation of this agreement will help to lift an additional 30 million people from extreme poverty and 68 million people from moderate poverty by 2035 (World Bank, 2020). Further, the AfCFTA is expected to boost income in Africa by US\$450 billion representing a 7% increase whilst adding US\$76 billion income to the rest of the world.

By providing a large and attractive market, Machanga (2020) notes that the AfCFTA offers a right response to the reluctance of companies to invest in small, uneven and

uncompetitive national markets (Aniche, 2017). Africa's exports are expected to increase by \$560 billion, especially in the manufacturing sector. The AfCFTA is also expected to spur larger wage gains for women 10.5% than for men 9.9% and also boost wages for both skilled and unskilled workers by 9.8% and 10.3% respectively.

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**WORLD BANK, 2020**

Further, the COVID-19 pandemic has exposed the vulnerability of African countries' dependence on imports of critical items such as food, fuel, machinery, pharmaceuticals and other manufactured goods, highlighting the susceptibility of many countries to disasters and exogenous shocks (Cotton et al. 2020). This reality implies the need for a robust industrialisation and development strategy. The AfCFTA is expected to boost industrialisation and diversification of exports post COVID-19. The AU has been awakened by the impacts of Covid-19, peaking important lessons and has indicated that it revisit and reverts back to the 2012 Pharmaceutical Manufacturing Plan for Africa (PMPA) that seeks to promote local manufacturing of essential medicines and to improve availability and access for African populations (AU, 2012). Support to strengthening African health-related production capacity, access to vaccines and health products are being encouraged (Tondel and Ahairwe 2020).

The instantaneous benefits of the AfCFTA are anticipated to arise from the reduction in tariffs and non-tariff barriers, and the establishment of a continental agenda for trade in goods and services (Apiko et al., 2020). The AfCFTA provides a chance to complement the rules in other important trade-related policy areas that have not been substantially addressed at the regional level such as investment, competition, intellectual property rights and e-commerce. These regulations on trade and investment regimes, competition rules and intellectual property rights helps to figure how these economies function and grow

(World Bank, 2020). The introduction of the AfCFTA also identifies the importance of international security, human rights, democracy, gender equality and the rule of law for the development of international trade and economic cooperation, suggesting the potential to address these non-trade policy objectives in the implementation of the AfCFTA (Apiko et al., 2020).

Projections are that the implementation of the AfCFTA will increase intra-African trade volumes by 81% by 2035, and the total African exports volumes by 29 % (World Bank, 2020). Expectations are that this will spearhead Africa's structural transformation by fostering regional value chains and production networks. The report posits that trade facilitation raises intra Africa trade by between 50 and 132% leading to gains in the Gross Domestic Product by 1 to 4%. Moreover, the AfCFTA provides a framework and an additional commitment mechanism to support implementation of the WTO's Trade Facilitation Agreement (TFA), which at present has been ratified by 40 African countries. It is estimated that full implementation of the TFA would reduce global trade costs by 14.3% on average and up to 23.1%, with the highest average reduction in Africa and LDCs (WTO, 2015).

African MSMEs can benefit from greater access to new markets and the possible economic transformation that competition in these markets could promote, and are regarded as key target for the AfCFTA. The agreement offers several benefits to African SMEs, vital due to their importance to the continent's economy. These includes fostering specialization and boosting industrialization; increasing employment and investment opportunities, as well as technological development. African-owned enterprises will enter new markets, expand their customer base and create new products and services. The agreement make investing in innovation viable; reducing the manufacturing gap, creating more avenues for SMEs to create more well-paid jobs, especially for young people; increasing investments that drive capital to domestic businesses; easing the process of importing raw materials from other African countries and enabling SMEs to set up assembly firms in other African countries, and creating cheaper means of production.

## Cross Border Traders and the AfCFTA

The agreement offers opportunities for collaborative action, allowing Africans to do business with each other and strengthening Africa's resilience.

In this report, Cross Border Trade is the trade between neighbouring countries conducted by vulnerable, small and unregistered traders (UNCTAD, 2021). In Africa, most employees are employed in the informal economy with

a large share of them engaged in cross-border trading (CBT). According to Nshibi and Moyo (2017), Cross Boarder Traders (CBT) contributes approximately 30-40 percent of total intra-regional trade in the Southern Africa Development Community (SADC) and 40 percent in the Common Market for Eastern and Southern Africa (COMESA) region. Informal exports to neighbouring countries in Uganda and Rwanda were estimated at 86% and 50% of official exports to the countries respectively in 2011 (Bugingo, 2018). Thus, cross border traders are a significant player when it comes to trade in Africa.

The types of goods traded by Cross Border Traders are varied, currently dominated by low quality and locally manufactured and re-exported goods from Asia. Among the traded goods are counterfeit goods, jewellery and minerals. Women and youths are significant players in CBT. In West and Central Africa, women represent nearly 60 percent of informal traders. While in Southern Africa they represent about 70 percent of them (Afrika and Ajumbo, 2012). In Botswana, (Guy and Ajumbo, 2012), noted that women traders dominate cross border traders, and these women seldom face a lot of challenges than men do.



A report by USAID southern Africa notes that women face sexual harassment, compulsion and strict border controls that finally force them to take informal corridors with dangerous wild animals (Matakanye, 2011 and Sambou, 2019). This is to avert customs and regulations that raises the costs of their products. It has been established that, some women of close to 70% of the reproductive age in Zimbabwe are involved in cross border trade (Tay, 2010). The majority of these are involved in transactional sex along the corridors (Matakanye, 2011). Tay (2010) further points out that the sexual harassment is committed by customs officials, soldiers and police officials at border posts as women are cornered to chose either their source of livelihood or poverty.

Stigmatisation is another major problem faced by women cross border traders (Muzvidziwa, 1998), especially women cross border traders are often labelled as witches. They are

linked to the sale of human parts. The male cross border traders are often labelled smugglers or informal couriers known as Malaicha. The Malaichas charge excessive fees and pocket all the money, to the detriment of taxpaying and law abiding public (Punungwe, 2009:1). A more common phenomena at most border posts is delay especially during peak hours periods (Zhangazha, 2009). This mostly happens when custom officials embark on go slow that worsen the situation which may take 12 hours to have a passport stamped at the border posts.

Issues of health are also taking the toll in African countries and world at large. There are issues of Covid 19 pandemic which has killed millions across the world thereby preventing the movement of people and goods across the world. The unhygienic water and sanitation and food facilities used by ICBTs are a health hazard in some boarders. There is lack of adequate hospitality at some boarders where malaria is prevalent. Blumberg et al. (2020) cited Mozambique as an example. Infrastructural inconsistency and boarder conditions threatens health of cross border traders, especially due to nonexistence of toilets, dirty water and food contamination.

Whether in oppression or in freedom, Africans have been involved in the trade system through cross border trade and these are particularly women. It was noted as of paramount importance to consider women empowerment through integrating and necessitating a campaign for inclusive regional policy making in the African woman's decade (2010-2020) (Idembe, 2012). Following the

Cross Boarder Traders (CBT) contributes approximately 30-40 percent of total intra-regional trade in the Southern Africa Development Community (SADC) and 40 percent in the Common Market for Eastern and Southern Africa (COMESA) region.

**NSHIBI AND MOYO (2017)**

declaration of the years 2020 to 2030 as the new Decade of Women's Financial and Economic Inclusion (UN, 2021), the AfCFTA has become a facilitator for women empowerment. By leveraging informal cross border trade for the empowerment of women, poverty alleviation and peace building, the African continental free trade area can promote women's empowerment, especially in export trade, redressing the past obstacles through knowledge and granting rights of access (Mapondera, 2014).

Africans, including women traders, have long been trapped in vicious cycles of poverty due to several causal factors including inequality in access to education, factors of production, and trade facilities; unbalanced labour saving technologies; underpaid or unpaid labour; harmful cultural practices; and restricted legal protection from gender inequality practices fixed in the society (UN, 2020). Having seen this for so long now the African Union continues campaign for the development and implementation of policies that seeks to expand the playground for women. These policies seek to establish a wider array of opportunities that leads to sustainable inclusive economic empowerment and break the cycles of poverty and inequalities at national and regional levels.

## Benefits of the African Continental Free Trade Area to Cross Border traders

- **Free Movement of People**

The AfCFTA seeks to promote free movement of people across borders within the African continent.

- **Education and Learning Opportunities**

This vision has a benefit of promoting educational opportunities and ending exploitative labour regimes. Most women in Africa had limited access to skilled work due to lack of sufficient educational opportunities forcing them to work within the informal sector as vegetable vendors, sex workers, and brewers of home-made beer (Hungwe, 2006). Some countries inherited the colonial system of ignoring the informal sector, thereby disadvantaging the cross-border traders, women in particular. Incidents such as the operation Murambatsvina in Zimbabwe gives a clear vision that the cross-border traders are always at stack. Various vegetable stalls, front yard truck shops, barber shops, hair salons, backyard workshops and houses were razed to the ground by security forces creating a grave humanitarian situation (Tibajuka, 2005).

- **Gender Inclusion**

The AfCFTA will unlock avenues for African women to expand their businesses from small to large initiatives. This agreement provides opportunities to improve the

export capacity for women and youth in both formal and informal trade giving particular attention to those in small and medium sized businesses. UN (2021) acknowledges that the protocols established by the AfCFTA agreement on Trade in Goods, Trade in Services, Investment, Intellectual Property Rights and Competition Policy offer clear guidelines to ensure protection of infant industries. Through this incentive, the Agenda 2063 goals of gender equality, women empowerment and youth development will benefit cross border traders.

As alluded to earlier on the AfCFTA came to be a catalyst in the same period as Africa Declares the years 2020 to 2030 as the new Decade of Women's Financial and Economic Inclusion. African leaders committed to improve actions in gender inclusion at all levels. Informal traders especially women are the most marginalized group in the financial systems due to various reasons such as their income level and instability, location (rural areas), activities they venture in, financial literacy etc.

- **Access to Technology and Financial Schemes**

Marginalized women and informal traders in rural areas and urban informal settlements will especially benefit in gaining access to technology that will help them to boost productivity in all sectors of production (Hartzenberg et al., 2020). They will gain more access to subsidized credits, use of a wide range of financial products such as mobile phones for application of mobile money through products like Ecocash in Zimbabwe and M-Pesa in Kenya. These will help to increase access to formal banking services such as reliable means to save, access and borrow money in remote areas for the informal traders. As part of the solutions to realize economic justice and financial inclusion, the African Union Fund for African Women (FAW) is being converted into a Trust Fund for African Women (TFAW) (UN, 2021). Africa has the lowest rate of Internet penetration, and a wide digital gender gap with only 22.6% of women using the Internet, compared with 33.8% of men (ITU 2019).

- **Expanded Market**

The African continental free trade area comes with the advantage of expanding trade opportunities for every African citizen regardless of being in the formal or informal sector or being men or women. This also brings government commitment to advancing female entrepreneurship through formal recognition of cross border trading. There is hope that the proposers of the AfCFTA will prioritize sufficient training of women traders to help them increase their capacity. Women who are estimated to account for 70 per cent of informal cross-border trade in Africa (UN, 2021), will tap into regional export destinations and use regional markets as stepping stones for expanding into overseas markets.

- **Reduced trade costs of NTBs**

Cross border traders especially women and small businesses are disproportionately affected by the awkward bureaucracies, lengthy clearance processes, unclear rules and corruption (UNCTAD, 2019). The AfCFTA agreement is expected to address non-trade barriers and establish mechanisms that can be used to report, monitor and eliminate some specific non-trade barriers. In collaboration with the United Nations Conference on Trade and Development (UNCTAD), the African Union (AU) developed an online mechanism that was designed to improve intra-African trade by offering a site that can be used to report and resolve NTBs issues and experiences by businesses (Cazares, 2019). The AfCFTA can further help to reduce trade costs associated with these barriers by creating rules common for all participating countries in areas such as technical barriers to trade (TBT) and sanitary and phytosanitary standards (SPS).

- **Reduced Trade Costs as Tariffs are eliminated**

The AfCFTA allows for tariff and quota free trade among member African countries. The reduction of tariffs accompanied by a simplified system for small traders, the AfCFTA is expected to make it cheaper for small informal traders to operate through the formal channels that offers protection to vulnerable women in cross boarder trading. These channels will promote the registration of informal cross border traders and contribute to elimination of problems such as harassment, confiscation of goods, violence, and imprisonment due to lack of knowledge. All these challenges will be addressed through the efforts to integrate the informal sector into a single continental structure through the AfCFTA.

- **Expanded Value Chains**

The AfCFTA is expected to promote cross border access to value chains and enhance competitiveness. Small and medium-sized enterprises, and cross border traders will benefit from easier means to supply inputs to larger regional companies, who then export to overseas markets. For instance, women can benefit from initiatives to connect female agricultural workers to African export food markets. Regionally, there have been practical examples such as the preferential Southern African Customs Union trading regime where before exporting cars overseas, large automobile manufacturers in South Africa source inputs, including leather for seats from Botswana and fabrics from Lesotho, enhancing the concept of value addition and boosting local manufacturing and industrialization. Replicated at the continental level, the AfCFTA will then scale up opportunities for women to benefit from Intra-African trade.

## Emerging issues

The successful implementation of the AfCFTA is bound to face many obstacles than the drafting of the document itself. Harmonising Africa, a large market with heterogeneous economies of different size, level of economic development, level of diversification, different cultures and ethnic groups is a hard task. A difficult task is ahead to ensure broad-based gains for all member states, and diverse players who include cross border traders. There are greater income disparities within Africa, a continent with 32 least developed countries facing challenges of creating jobs and expanding their production capacity. The success of the agreement is to be constrained by weak infrastructure in some countries, low technology uptake and conflicts of democracy.

There is little evidence of consideration of the role of democracy in the implementation of the AfCFTA though the AfCFTA remains the focus of key discussions in Africa at present. There is little conceptualisation of the elements of democracy within the Agreement's operational context at both national and international levels (Fagbayibo, 2019). Issues of inclusivity, transparency and open participation of the civil society that should shape the engagement of member states in the agreement's activities are lacking at national and transnational levels. Backing this argument is a note by United Nations Economic Commission for Africa (UNECA) (2017: 32) which states that the AfCFTA should "... recognise the importance of democracy, human rights, and the rule of law." Putting democratic norms at centre should be emphasised in the implementation of the Agreement.

Issues of gender impacts are also coming on board as an emerging issue within the trade sector especially in Southern Africa's major border posts. The informal cross border trade has distinct gender impacts since women accounts for the highest proportion of those in informal trade. In countries like Botswana and Malawi a lot of cross border traders are women (Blumberg et al., 2020).

Corruption has also emerged as a big issue inhibiting successful trade in Africa (Muchanga, 2019). The major cause of this is a wide knowledge gap between the ICBTs and the frontline officials who are the police and the customs officials. There exists a wide information gap on trade rules and regulations with regards to customs and other import duties, agricultural produce importation, etc. (Blumberg et al., 2020; World Bank, 2020; Macheng, 2021). The rules and regulations are not clear or easily available and written in foreign languages and not in vernacular languages.

## Areas of improvement

Despite its many benefits, the AfCFTA agreement may still need some improvements within the African continent. These areas includes;

- **Capacity**

There is insufficiency in human and technological capacity of Small to Medium Enterprises in Africa. This puts informal cross border traders at a disadvantage as compared to larger established corporations when it comes to productivity and competition. There is need to improve human and technological capacity on the continent.

- **Access to Finance**

The area of financial inclusion is still lagging behind on the African continent. A lot needs to be done so that limited access to finance to marginalized groups is solved. Access to finance and trade finance that may hinder participation of marginalized group in the informal sector especially women in intra-Africa trade. This may also result in failure to achieve what has been projected for the AfCFTA agreement since the majority of people in Africa are in the informal sector. There is need to improve financial products across the continent.

- **Access to Power**

Unreliable and poor electricity supply limits operations and raises expenses for many SMEs. Modern technology rely on the supply of electricity which when not enough may limit production in the manufacturing sector. This may prevent the ability of informal traders in the SMEs to scale up their production and export to other African markets. This obviously pulls down the objectives of the AfCFTA. Other sources of power supply may be used such as the solar systems to complement electric power supply if not adequate in the region.

- **Network Infrastructure**

There is need to improve travel and transport between African countries and regions via roads, rail and air so that they become more efficient. There is need to increase the road and rail network so that bulky goods reach many parts of the African countries especially in rural areas. Poor road networks within some countries may limit the volume of trade. The recent completion of the multimillion dollar Kazungula dam project is a step in the right direction in terms of upgrading infrastructure in Africa. This will help to link rural urban trade in Zambia and Botswana which is in line with the AfCFTA Agreement. Without the exception of the digital infrastructure and stronger internet penetration online trading may not be possible. For informal SMEs to take full advantage of the agreement, African countries

should make sure that they improve the digital space to ensure that there is financial inclusion and access to market information to various people.

- **Education and Awareness**

African governments must make sure that they educate their people about the AfCFTA. There is need to organize and educate SMEs on the AfCFTA and make sure that they become participants and not just spectators in this new African initiative. There is need to put the spirit of ownership of this initiative into the African people and leave the attitude of thinking that things that are done at national and continental level are for the government to run. African entrepreneurs also need to play a role in raising awareness and initiate campaigns on how they can benefit from the agreement, and what measures and policies are needed to ensure they have a place within the agreement. Informal traders should also provide their own leadership, as they should not wait for others to lead them. With their chosen leaders and with a common voice, they can then begin to engage with the AU, African governments and trade bodies, holding them accountable for the implementation and regulation of the AfCFTA to ensure that it works as intended for all Africans.

- **Private sector involvement**

More active involvement of the private sector in terms of advocacy is required in order to ensure direct input into the AfCFTA negotiating institutions to ensure that AfCFTA is shaped to assist the business community to trade in Africa.

## Lessons on past trade initiatives

The AfCFTA agreement is an initiative that comes to integrate Africa into a single regional community. It seeks to reduce polarization of trade within the continent, building on the lessons of others. It is of paramount importance to draw lessons from the past Bilateral and multilateral agreements that such as the Common Market for East and Southern Africa (COMESA), Southern Africa Development Community (SADC) and the East African Community (EAC). The establishment of these several agreements within one African family once resulted in overlapping membership. The multi-membership of countries in different trade regimes caused some legal and administrative challenges to participating countries (Disenyana, 2009). We therefore draw a lesson that there is need to harmonies Africa into one trading society through the AfCFTA to minimise the inconsistencies that are brought about by multi-membership in one family. This also further the vision of bringing Africa into a single family. Multi membership by

member states brought frustration and uncertainties.

The past trade initiatives on their own were small to such an extent that they could not promote economic growth and eradicate poverty in some small countries within Africa. They promoted inadequate development of infrastructure services and utilities. There was brain drain in some countries with people rushing to countries with better economies like South Africa in the SADC region, which depressed socio-economic development. It is therefore a lesson that enhancing physical interconnectivity that may come with AfCFTA speeds up development and whilst facilitating inter regional trade. AfCFTA is bound to promote rapid globalization, integration of regional markets and access to infrastructure by the poor that will contribute to poverty reduction.

UNCTAD (2007) postulates that bilateral agreements should result in multilateral agreements to attract more intra-African trade and foreign investment. Regional investments proved to be more effective than bilateral investments. COMESA has proved to be a regional bloc which has encouraged regional integration in Africa. Building from the foundations of this argument the AfCFTA will be the

best agreement that will promote intra-Africa foreign investment. For the successful implementation of the AfCFTA there is need for unity of purpose especially among the major developed economies like Kenya, South Africa and Egypt (Disenyana, 2009). This unity of purpose has to be maintained forever even amongst the small economies. A good example is that when the unity of vision between United States of America and Brazil disappeared in the Free Trade Area of the Americas (FTAA) the negotiation came to a stall mate. Disenyana (2009) posits that although the majority of small countries were supporting the initiative it was not possible to bring anything back to normal.

The experience from the FTAA also taught that assigning the major players in leadership roles does not suffice to say there will be a definite success. The leadership should be given to smaller committed participants who will work towards influencing for its national benefit. This is something also experienced in the Doha round of negotiations where WTO chose not to assign representatives of either the United States (US), the European Union (EU) or Japan.

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