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# AfCFTA and Trade Facilitation in ECOWAS Borderless Region: Challenges and Prospects

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**ABSTRACT:** *This paper seeks to examine the establishment and ratification of the African Continental Free Trade Area Agreement (AfCFTA) as an endeavour on the part of the African Union to promote intra-African trade. The African socioeconomic development and industrial competitiveness is anticipated to increase as a result of the AfCFTA. The agreement is expected to link 1.3 billion people in 55 nations, with a $3.4 trillion global GDP. By 2035, it is projected to be able to save 30 million people from abject poverty. The AfCFTA will result in a significant liberalization of trade in products and services within Africa, making it simpler for business people to conduct international business and lowering trade costs. However, there are concerns that putting the agreement into practice successfully in a continent with limited capacity, uncompetitive industries, and reliable infrastructure will be difficult. The research relies on the secondary sources of data collection, which include the use of such materials as textbooks, journals, newspapers, magazines and internet sources. The paper analyses the political-economic dynamics and argues that the success of AfCFTA will be greatly influenced by a number of variables, including member states level of commitment, the availability of cutting-edge technology, technical capacity, and essential infrastructure, the transparency and accountability of processes, and how infractions and complaints are resolved.*

**KEYWORDS:** AfCFTA, ECOWAS, trade liberalization, trade facilitation, challenges and prospects.

## INTRODUCTION

A pact to create the African Continental Free Trade Area was reached in March 2018 by 44 African nations (AfCFTA). By so doing, they accomplished the long-standing goal of African economic integration and established the largest free trade area (FTA) by membership in the world, at least on paper. The AfCFTA Agreement binds signatory nations to remove tariffs and non-tariff trade restrictions on products, liberalize services trade, and work together on customs issues, market competition, foreign direct investment, and intellectual property rights. The Agreement seeks to increase intra-African trade, accelerate structural change of African economies, and advance inclusive and sustainable socioeconomic development throughout the African continent by establishing a single continental market for products and services (Woolfrey et al., 2019).

While the signing of the AfCFTA Agreement is a notable accomplishment, it just marks the start of what will probably be a protracted and difficult process. To ensure that the AfCFTA reaps the most rewards, State parties will need to take three crucial steps in addition to addressing their domestic competitiveness concerns.

First and foremost, in order to finalize the AfCFTA Agreement, Member States must commit to substantive action in the other sectors covered by the Agreement as well as significant trade liberalization in goods and services. The agreement must then be ratified and fully implemented. In some instances, this will necessitate challenging domestic reforms. Although it shouldn't be an option, partial execution can "delegitimize the project in the perspective of those who stand to profit" (Erasmus, 2018). Furthermore, in order to connect and integrate their economies, member nations must carry out additional regional and continental efforts. These include the African Union (AU) programmes such as the Comprehensive Africa Agricultural Development Programme (CAADP), the Programme for Infrastructure Development in Africa (PIDA), and the Programme for Boosting Intra-African Trade, as well as the regional trade agreements of African regional economic communities (RECs), which will continue to coexist alongside the AfCFTA (BIAT).

The research focuses on these three processes and aims to identify some of the actors and variables that will affect the final agreements made under the AfCFTA as well as the effectiveness of the Agreement's implementation. African regional integration has been hampered by the continent's historical practice of not ratifying and/or improperly implementing the treaties and agreements it signs. This practice is referred to as the "implementation gap." Nkosazana Dlamini-Zuma, a former chairperson of the African Union Commission, once said that Africa has plenty of agreements; the issue is with their implementation. This conclusion was supported by the 2017 "Kagame Report" on the "Proposed Recommendations for the Institutional Reform of the African Union," which identified "implementation crisis" due to the "continuous failure to carry out African Union decisions." Progress on economic integration through Africa's RECs has undoubtedly been slowed by the slow, inconsistent, and inadequate implementation of regional trade agreements. Making sure that AfCFTA does not have the same result is the task.

The AfCFTA, which unites 55 African economies, will grow to be the largest free trade area by membership formed in accordance with WTO regulations (Albert, 2019). Wamkele Mene, the Secretary-General of the AfCFTA Secretariat, remarked during the virtual launch event, "This is not simply a trade agreement, this is our ambition for Africa to be lifted out of poverty" (Kuwonu, 2021).

Beyond the potential advantages or promises of the AfCFTA over the years ahead, its success also depends largely on a set of accompanying policy enablers or measures, including better infrastructure, freer movement of goods, people, and capital, improved digital connectivity, access to finance, supportive business environments, and others, to ensure the virtuous circle of greater market opportunities, triggering more trade and investment, leading to more and better jobs with social benefits (Apiko et al., 2020).

This research relies on primary and secondary sources as a method for the collection of data from previously published works. They include publications from the International Organization for Migration (IOM), official documents and reports from the African Union (AU), the United Nations Economic Commission for Africa (UNECA), credible newspaper sources, academic journal articles and books. The information / data gathered were thoroughly analyzed and interpreted.

The first section of the study consists of the introduction to African Continental Free Trade Area Agreement. The overview of the African Continental Free Trade Area Agreement is covered in the second section. In the third section, we examine the ECOWAS regional strategy for trade liberalization and facilitation. The fourth section discusses the potential and difficulties of the AfCFTA. The complementary policy enablers / drivers of the agreement are the main subject of Section five. While section six is the concluding remark, section seven provides some recommendations on how the goals of the AfCFTA agreement could be fully realized.

**Overview of the African Continental Free Trade Area Agreement**

Soon after the majority of African nations got independence in the late 1950s to 1960s, the path towards African unity and collaboration in development initiatives began. This desire for regional collaboration and integration was underscored in 1964 with the founding of the Organization of African Unity (OAU), which is now known as the African Union (AU). The primary goals of the OAU were to promote unity and solidarity among African nations within the framework of international trade and governance. Later, in 1980, the group adopted the

Lagos Plan of Action, which intends to promote African integration through "self-reliance, endogenous growth, and industrialization" (Albert, 2019).

As a result, the beginning of trade in goods between some African states under the legislative framework of the African Continental Free Trade Area (AfCFTA) on January 1st, 2021, marks a symbolic turning point on the long road to African continental integration. Gérout et al., (2019, as cited in Bernhard & Eva, 2021) emphasize that the African Union (AU), which was founded in 1963 as the Organization of African Unity (OAU), established the concept of continental and regional integration among African nations and provided an institutional framework, even though the integration initiatives remained more of political declarations, almost 60 years ago. The Monrovia Summit in 1979 and the succeeding Lagos Plan of Action in 1980 focused on promoting African independence and self-sufficiency as the next stage. The 1980s economic crisis played a significant role in these programmes' failure. The Abuja Treaty of 1991, which spelt out a plan for continental integration based on sub-regional cooperation, represented the third phase of integration. Due to the development of several, frequently converging regional configurations, the subsequent regional integration actually served as a barrier to the initial continental objectives (Gérout et al., 2019, as cited in Bernhard & Eva, 2021). The idea to eventually create a continental customs union by integrating regional free trade zones was revived in 2012 by the consolidation of various regional economic zones into bigger free trade agreements, such as the tripartite agreement of Eastern and Southern African countries.

AfCFTA eventually established a legislative basis for a single free trade area across the entire continent in 2018, along with a comprehensive integration agenda that ran concurrently with the existing regional agreements. The African Union Agenda 2063, which strives for inclusive and sustainable development throughout Africa, includes the AfCFTA as one of its primary projects (African Union [AU], 2020). According to regional aspirations, the AfCFTA's general goals in Article 3 (AU, 2019b) are to: (i) establish a single market for goods and services; (ii) liberalize market through consecutive rounds of negotiations; (iii) facilitate the mobility of money and people; and (iv) set the groundwork for the eventual creation of a Continental Customs Union; (v) promote and achieve gender equality, sustainable socioeconomic development, and structural transformation of the State Parties; (vi) boost the competitiveness of the State Parties' economies; (vii). promote industrial development through diversification and regional value chains in agriculture and food security; (viii) resolve the challenges of multiple and overlapping memberships.

Furthermore, seven particular objectives are listed in Article 4 of the AfCFTA (AU, 2019b) with a view to achieving and realizing the objectives stated in Article 3:

(i) to progressively eliminate tariffs and non-tariff barriers to trade in goods; (ii) to progressively liberalize trade in services; (iii) to cooperate on investment, intellectual property rights and competition policy; (iv) cooperate on all trade-related areas; (v) cooperate on customs matters and the implementation of trade facilitation measures; (vi) establish a mechanism for the settlement of disputes concerning their rights and obligations; and (vii) establish and maintain an institutional framework for the implementation and administration of the AfCFTA.

More specifically, the AfCFTA (AU, 2019b) establishes some principles to direct members actions in Article 5 in order to steer the process of accomplishing these objectives:

(i) driven by Member States of the African Union; (ii) RECs Free Trade Areas (FTAs) as building blocs for the AfCFTA; (iii) variable geometry; (iv) flexibility and special and differential treatment; (v) transparency and disclosure of information; (vi) preservation of the acquis; (vii) Most-Favoured Nation (MFN) treatment; (viii) National Treatment; (xi) reciprocity; (x) substantial liberalization; (xi) consensus in decision-making; and (xii) best practices in the RECs, the State Parties and International Conventions binding the African Union.

According to Article 9, the AfCFTA institutional framework will be as follows, for the purposes of implementation, administration, facilitation, monitoring, and evaluation:

(i) the Assembly; (ii) the Council of Ministers; (iii) the Committee of Senior Trade Officials; and (iv) the Secretariat.

The AfCFTA is expected to boost competitiveness by encouraging value addition to African raw materials and fostering regional value chains that would serve as stepping stones for admission into global value chains (GVC) by African nations ( UNCTAD, 2018 as cited in Olayiwola, 2020). The AfCFTA is being implemented in two phases in terms of operationalization. A framework for the liberalization of commerce in products and services, as well as a procedure for resolving disputes, are provided in the first phase (Abrego et al., 2019).

The agreement sets the path for eliminating tariffs on 90% of product categories for trade in goods. Countries can implement tariff reductions over a longer period in the case of sensitive goods, or maintain existing tariffs - where the products are excluded - for the remaining 10% of product categories. The protocol on trade in goods includes annexes on tariff concessions, rules of origin, customs cooperation, trade facilitation, non-tariff barriers, and technical barriers to trade, sanitary and phytosanitary measures, and transit and trade remedies (Abrego et al., 2019). Annex 4 to the agreement provides institutional structures for the progressive elimination of non-trade barriers (NTBs), a general categorization of NTBs, reporting and monitoring tools, and facilitation of resolution of identified NTBs.

In order to liberalize trade in services, member nations have also agreed to a request and offer strategy focused on seven prioritized sectors: logistics and transport, financial services, tourism, professional services, energy services, construction, and communications. Phase I of the

AfCFTA went into effect on May 30, 2019, 30 days after the chairperson of the AU Commission received the 22nd ratification document (Abrego et al., 2019).

The AfCFTA received significant impetus at the AU 12th Extraordinary Session of the Assembly on July 7, 2019, when the operational phase of the agreement was inaugurated and Nigeria and its neighbour, the Republic of Benin, signed it, leaving Eritrea as the only nation that has not yet acceded. Nigeria is thought to have the biggest economy in Africa with a GDP of US$376 284 billion. Egypt ($237 037 billion) and South Africa ($349 299 billion) are the next largest economies (Onwuka & Udegbunam, 2019). Nigeria is also the biggest market in Africa, with a population of over 200 million. Therefore, it is believed that Nigeria's entrance to the agreement will significantly increase the AfCFTA's viability.

**Trade Liberalization and Facilitation in the ECOWAS Region**

Bisong (2020) says that the AfCFTA Agreement clearly acknowledges the Regional Economic Communities (RECs) as the foundation of the AfCFTA. The agreement also provides that RECs that have already attained further integration, such as the Economic Community of West African States (ECOWAS), would continue to use existing regional trade regimes for intra-regional trade. Given that RECs are where the vast bulk of intra-African commerce takes place, these organizations will continue to be essential to the continent's commercial environment.

In accordance with the regional trade agreements of the Economic Community of West African States (ECOWAS), member states impose the ECOWAS Common External Tariff (CET) on imports from outside the area and the ECOWAS Trade Liberalization Scheme (ETLS) on imports from other ECOWAS Member-states. The tool includes components that are necessary to use the ETLS, such as the rules of origin and other procedural components. The ETLS seeks to create an effective free trade zone inside the ECOWAS region by removing tariffs and non-tariff trade obstacles (World Trade Organization [WTO], 2017). Tariffs and non-tariff obstacles to intra-ECOWAS trade continue, while implementation by ECOWAS member states has been delayed and unequal. As a result, trade expenses in the region are still high, and intra-regional commerce remains minimal. For instance, in 2016, Nigeria's exports to neighbouring ECOWAS nations accounted for just around 6% of its overall exports (WTO, 2017).

With regards to the ETLS and ECOWAS CET, Nigeria has "displayed a dearth of leadership" and has in the past acted "in an obstructionist manner," delaying ECOWAS discussions toward a free trade area and customs union (Olayiwola et al., 2015 as cited in Hulse, 2016). Nigeria has (reluctantly) accepted regional trade tools; nevertheless, these have not been implemented very well. The implementation of the ETLS by ECOWAS member nations has been hampered by the unscrupulous actions of customs officers at border stations and checkpoints along trade corridors (Hulse, 2016). Hoffman and Melly (2015) emphasize that "corruption and unofficial 'taxation'" on international commerce have turned into a “rich source of cash for unlawful patronage networks within state institutions” (p. viii). Customs agents are enticed by revenue targets for the

Customs Service to ignore ECOWAS Certificates of Origin and participate in other revenue-maximizing activities (Hoffman & Melly, 2015, p. viii). Many traders are uninformed of their rights under the ETLS since there isn't much information regarding the system that is available to the public.

Despite the fact that Nigerian businesses utilize the ETLS the most in West Africa, the processes put in place by the Nigerian government for clearing customs are difficult and time-consuming. Consequently, it might be challenging for traders to register their goods with the ETLS and conduct official international trade payments. There are substantial amounts of unrecorded "informal" commerce across Nigeria's borders, which is a result of these bureaucratic red tape, which strongly encourage the usage of these trade channels (Hoffman & Melly, 2015, p. viii).

High levels of border smuggling have further hampered the successful implementation of the ETLS. Prior to the recent implementation of the ECOWAS CET, traders were encouraged to import goods from outside the region into other ECOWAS member states, especially Benin, and then smuggle these shipments across the border to their intended destination in Nigeria due to Nigeria's high tariffs (compared to those of her neighbours), significant use of import restrictions, and capacity issues at its ports. A decrease in this type of smuggling has resulted from the ECOWAS CET's harmonization of Nigerian tariffs with those of her neighbours, but it has not completely eliminated it. This may be because Nigeria still imposes some products with higher tariffs than its neighbours, and it has also implemented other restrictions on imports from those nations. Nigerian stakeholders protest that unethical behaviour in neighbouring nations continues to allow non-ECOWAS commodities to enter Nigeria under the ETLS (Chikezie, 2018). The Nigerian government either "turns a blind eye" to the pervasive corruption at border crossings or actively takes part in it, which facilitates this smuggling (Hulse, 2016). Roy (2017) points out that cooperation between business people and customs officials is pervasive and is made worse by "politicians who purposely impose limitations to generate political donations."

Nigeria's perceived "uncertainty" regarding regional commercial integration is a result of local resistance from interest groups and rent-seekers. Nigeria's industrial sector, which is mostly focused on servicing the home market, is allegedly threatened by regional trade liberalization, according to several players (Roy, 2017). The Nigerian Senate requested in 2016 that the Federal Government halt Nigeria's participation in the ETLS and CET, claiming that these instruments had hurt the manufacturing sector and encouraged companies to leave Nigeria for neighbouring ECOWAS nations in order to "manufacture and ship same products back to Nigerian market at zero duty" (Yemi, 2016). The "systemic corruption" at the borders would likewise be put at risk by a successful deployment of the ETLS. It is in the best interests of the "beneficiaries of these corrupt operations" to prevent the elimination of trade restrictions and to restrict the availability of information to merchants (Hulse, 2016). It is important to remember that the ETLS, despite some significant obstacles currently present, is a reality and an operational mechanism for tariff and quota free trade inside the ECOWAS bloc. The ECOWAS Commission (EC) and Member States bear a large portion of the burden for the scheme's uncertainties, but the private sector must also share some of the guilt, according to some. In particular, it is noted that numerous intended users of the programme either do not comprehend the programme's technical requirements (resulting in the delay or rejection of a CoO application) or do not comprehend their rights when confronted by customs officials at the various borders within the ECOWAS bloc (Hulse, 2016). Therefore, it is essential that people in charge of developing and executing supply chain plans for their companies, whether they are small or large, take immediate action to comprehend the rules of the ETLS and, if necessary, seek professional assistance.

**AfCFTA as an Instrument of Trade Liberalization and Facilitation in West Africa: Prospects and Challenges**

A framework for the liberalization of trade in goods and services in Africa is provided by the AfCFTA. It is the result of discussions between the Southern African Development Community (SADC), the Common Market for Eastern and Southern Africa (COMESA), and the East African Community (EAC), which make up the Tripartite Free Trade Area (TFTA) (EAC). On the other hand, the Economic Community of West African States' (ECOWAS) goals and objectives are centered on trade and market integration. For instance, the Revised ECOWAS Treaty's Article 3 calls for the elimination of trade restrictions and the harmonization of trade laws in order to construct a free trade zone, customs union, common market, and ultimately a monetary and economic union in West Africa (Onwuka & Udegbunam, 2019).

In spite of the fact that the AfCFTA is a drive toward greater integration of Africa in an effort to facilitate travel and trade, it will surely strengthen African solidarity and encourage "African answers to African problems." It has been asserted, however, that the AfCFTA deserves cautious joy and hope. Only 15% of all current African external commerce is conducted within the continent. It is anticipated that intraregional commerce might rise to between 15% and 20% in the longer term with the removal of barriers (Moremong, 2019). The AfCFTA calls for nations to remove tariffs on 90% of their exports, which leaves open the option of applying the decrease to either tariff lines or import values. As a result, this ideal goal is realistically achievable. However, focusing on certain tariff lines can result in reductions of up to 15% in tariffs, but only for certain imports (United Nations Economic Commission for Africa [UNECA], 2018).

The African Union and ECOWAS Protocols on Free Movement, by which the signatory nations offer their nationals the right of residency and the right of establishment for professional or employment purposes, are also an addition to the AfCFTA agreement (Cofelice, 2018).

The AfCFTA follows other continental initiatives supported by the AU Commission, which contributes to the enthusiasm even more. In a significant move to improve connectivity and lower travel costs across the continent, the AU established a single air transport market on January 28, 2018, during the 30th Ordinary Session of the Assembly of Heads of State and Government of the AU in Addis Ababa, Ethiopia (AU, 2018). It also introduced an AU passport, which could be able to fix problems with intra-African mobility of commodities and people, realizing that freer intra-African movement is not dependent on cheaper flights alone. There is no question that the AU passport will lift constraints on inter-regional travel, particularly between nations where visas are still needed for entry. For instance, the continent's major economies, including Nigeria and South Africa, still require visas for passage.

However, the diversity of results from Africa's RECs indicates that regional integration is a delicate procedure with many variables at play in addition to tariffs. A longer-term commitment would be necessary to address some of the issues, such as the availability of reliable infrastructure (electricity, roads, rail, and viable government, private sector, and local enterprises), in order to create a favourable climate for substantial continental trade. Intra-African trade has been severely hampered by infrastructure impediments. Modern technology, as well as the application and diffusion of information, are necessary for African economic integration in order to promote quick commerce. For instance, in their attempts to put in place their regional free trade architecture, previously established trade areas like ECOWAS, EAC, and COMESA are battling the reality of poor infrastructure. Before focusing too much attention on more ambitious continental measures, it could be best to fix the low level of key infrastructure, especially because the regional issues might be the same ones that would thwart the AfCFTA effort.

It is crucial to investigate the causes of the fact that Africa only accounts for 3% of world commerce and 15% of intra-regional trade (African Export-Import Bank [Afreximbank], 2018). When compared to intra-continental trade in the European Union (EU) (67%), Asia (58%), North America (48%) and even Latin America (20%), even that performance percentage is driven by only four countries: South Africa, Namibia, Zambia, and Nigeria, in that order (UNECA, 2019).

Nevertheless, beyond the obstacles posed by the lack of infrastructure, poor access to finance, political unpredictability, interregional restrictions on free movement, and the demand for Western goods by some African consumers, some reports suggest that the AfCFTA presents important prospects for African countries as it could lead to greater integration among countries.
The breadth of the regional institutions that have been built must match the region that would gain the benefits of the spillover, according to the economic theory of subsidiarity. A larger, more integrated regional market for African goods might be developed.

Additionally, companies may have the chance to gain from economies of scale as well as having access to less expensive raw materials and intermediate inputs. Not only will the African market have better opportunities for creating regional value chains, but it will also be able to join up with global value chains. The primary production level, which is defined by the bare extraction of raw materials and the absence of a sizable industrial sector, predominates in many African national economies, however, and limited industrialization is the main driver of this development. The value of the agreement for larger economies like Nigeria, South Africa, Egypt, and Kenya as well as how other countries are shielded from the more diverse economy are additional issues to be considered (Afreximbank, 2018).

**Complementary Policy Enablers / Measures**

Even if all African countries execute and abide by the AfCFTA Agreement in full, its objectives cannot be met unless complementary policy enablers are implemented to promote / facilitate trade and investment under the AfCFTA according to the basic logic of the agreement. These complementary policies are necessary to maximize the benefits of the AfCFTA, and are stated below:

- **Effective Coordination and Policy coherence**

This study has brought attention to the necessity of efficient coordination. At the national level, this may require strengthening ties between various ministries to make sure that trade negotiators have the information they need to make the best choices for their nations. For instance, ministries in charge of agriculture could have good suggestions for the exclusion lists that are being presented (UNECA, 2019).

At the continental level, this could include merging the institutional structures envisioned as part of the CFTA with those needed for implementing the Boosting Intra-African Trade (BIAT) Action Plan, to guarantee efficient implementation and economies of scope. It is crucial that the BIAT Action Plan be implemented alongside the CFTA in order to ensure that the advantages of the CFTA are maximized and distributed fairly.

- **Better infrastructure and improved digital connectivity**

A significant barrier to intra-African trade is the continent's weak physical infrastructure, which includes telecommunications, power, roads, rail, and port facilities (AU, 2019a). To promote intra-African trade and ensure the success of the AfCFTA, it is critical to encourage increased investment in the continent's trade-related infrastructure, including programmes like the AU's Programme for Infrastructure Development in Africa (PIDA). Enhancing digital connection is essential for fostering intra-African trade under the AfCFTA, especially in light of the continent's growing interest in e-commerce. E-commerce and the trade of services, both of which have grown to be more important drivers of economic activity since the onset of Covid-19, may be enabled by digital technologies like cloud services and online platforms. Additionally, by lowering transaction costs and trade restrictions, digital solutions can promote trade facilitation in Africa.

The use of online information portals, single windows, digital documentation, electronic payments, electronic certificates (like certificates of origin), electronic signatures, and automatically processing trade declarations can help simplify, streamline, and expedite trade-related procedures at borders (Hartzenberg et al., 2020). Moving customs processes from paper to digital ones has the additional benefit of making them more transparent to merchants, less prone to petty corruption, and requiring less personal contact all crucial factors in a global epidemic. Information exchange between various border authorities can also be facilitated by digital means.

Beyond simplifying customs processes, digital solutions like electronic freight monitoring can help improve trade logistics, and digital payment systems like PAPSS can make cross-border financial transactions connected to trade simpler. Additionally, digital tools give disadvantaged groups the chance to join in intra-African commerce more readily. Examples of these groups include women, young people, and rural communities. In Africa, informal cross-border trade is dominated by these groups. These informal cross-border merchants can benefit from mobile applications by using them to get information on trade-related activities and processes, and by using them to conduct cashless financial transactions.

Majority of African countries do not yet have the necessary infrastructure to properly take advantage of these digital potential. The digital disparities that exist between Africa and the rest of the world, as well as between and within African nations, need to be addressed for the trade potential under the AfCFTA to be fully realized (Hartzenberg et al., 2020). As an enabling regulatory framework is being pushed through the Digital Free Trade Area (DFTA) project of the COMESA, significant investment in physical information and communication technology (ICT) and digital infrastructure is required. To guarantee that African residents can benefit from digital commerce prospects, digital skills training is also required (Hartzenberg et al., 2020).

- **Freer movement of persons and a more supportive business environment**

For Africans to benefit from opportunities for trade in goods and (especially) services under the AfCFTA, it is crucial to make it simpler for them to move around the continent. This would include business people, professionals, workers, and consumers as well as the businesses they represent. This makes the AU Protocol on the Free Movement of Persons, which intends to lessen present constraints on the movement of people within Africa, an essential enabling policy for the implementation of the AfCFTA. Despite the fact that there are already regional agreements on people’s mobility in the ECOWAS areas, for instance, it has still gotten far less political attention and traction than the AfCFTA itself. As of yet, just four African nations have ratified it (International Organization for Migration [IOM], 2020).

To enhance the business climate under the AfCFTA, further actions are required in addition to increased freedom of movement for individuals. It will be crucial in this respect to support global projects like the BIAT, which focuses on trade facilitation, trade financing, and trade information. To enhance the business culture under the AfCFTA, domestic changes will also be required in areas including taxes, trade information, investment assistance, and access to financing and credit facilities. A higher adoption of AfCFTA prospects would be made possible by investments in education, skill development, and training, notably in ICTs. The business climate and the growth of production and trade skills will also be crucial since the private sector is crucial in converting the institutional framework of the AfCFTA into operational activity on the ground.

- **Gender advocacy / sensitization and women's rights**

While CFTA negotiators should make sure the agreements take into account the unique needs of women and the different ways that trade affects them, more comprehensive measures would be required throughout the continent to increase women's capacity to take advantage of economic and trade opportunities and to have their rights guaranteed.

- **Anticipate responses to climate change and prevent environmental degradation**

UNECA (2019) emphasize that considering how highly vulnerable the agricultural sector in Africa is to climate change, the CFTA should formally remove climate policy from its trade duties. The impact of various policy options on the environment and sustainability with regards to agricultural practices, investment in transportation infrastructure, and other issues must be taken into account by the CFTA and complementary steps outside of the agreement (UNECA, 2019).

## CONCLUSION

It is evident from the research that political barriers, not economic ones, pose the biggest obstacles to the creation of an African free trade area. With the AfCFTA, African countries have a unique chance to advance intra-African trade, diversify and restructure the continent's economy, and advance crucial human rights and anti-poverty objectives. However, it will need strong political will, tenacity, and coordination on the part of African political leaders to align national goals with regional and global public goods.

The African Union objective of establishing an African Economic Community is supported in large part by the AfCFTA. It is increasingly being cited as the cornerstone of the revival of the African economy following the Covid-19 crisis. Prior to that, the AfCFTA is designed to support African industrialization and increased economic independence. Therefore, the AfCFTA's potential goes well beyond boosting trade flows and even economic concerns. In fact, there have been conversations about the AfCFTA's potential to promote a green transition and contribute to peace and security. But as was previously mentioned, for this potential to materialize, the agreement must be ratified by the majority of nations and then put into effect. Beyond that, many of the potential advantages rely on enabling policies that work in concert to guarantee that trade facilitation rules are in place and that people and things may truly traverse borders. Consequently, external support for AfCFTA implementation must take these dynamics into account and prepare direct support that builds on where there is traction at the national, regional, and continental levels, whether at the continental level, through regional organisations, or at the national level.

### Recommendations

It is essential that African policymakers improve some components of the AfCFTA or add new ones in order to execute it effectively and sustainably.

- State parties must take concrete steps to eliminate all NTBs, including easing border procedures, ensuring the security of traded goods and services, and funding cross-border infrastructure projects.
- Help women develop their trade skills and make it easier for them to enter the trade sector, improve their access to education and training.
- Implement tax breaks and/or incentives for women or youth-owned enterprises to encourage them to launch their ventures.
- Define and account for winners and losers in certain industries to see where political support exists and where potential roadblocks to partner country adoption of national AfCFTA implementation strategies may be.
- Discuss possibilities and the additional help needed to take advantage of the AfCFTA with actors in the private sector while advocating for proper implementation.
- Customize and structure broader financial assistance for the AfCFTA's implementation and economic change.
- Support from external partners should be directed towards creating regulatory frameworks for regional connectivity markets that are both competitive and unified.
- Because manufacturing is predicted to generate the largest gains, external partners should assist national and regional industrialization programmes, guaranteeing coordinated support to optimize impact.
- Member States ought to look for additional Covid-19 possibilities, including those centered on the pharmaceutical and other regional value chains.
- Promote cooperative programming among the external organisations presently assisting with AfCFTA negotiating and implementation activities in order to prevent fragmentation and promote the sharing of resources and expertise.

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