



AfCFTA - The Challenges of Implementation and Enforcement

The African Continental Free Trade Agreement (AfCFTA) is expected to serve as a building block to the attainment of economic growth and development in Africa. This is to be done by 'fitting together' existing regional trade agreements into one AfCFTA. There are about 30 bilateral and multilateral trade agreements within the continents so that each African country is a member of at least one regional trade agreement. Trade between African countries, however, barely exceeds 10% of the total trade of Africa, which is much lower than other continents' intra-regional trade share. Whether this is going to change or not with the AfCFTA, remains to be seen, below are some of the problems that need to be addressed to advancing the AfCFTA:

a) The Non-Tariff Barriers

Several non-tariff barriers may be lining up to stand in the way of the AfCFTA, and these generally include:

- I. The non-recognition of quality certificates issued by national structures, sometimes owing to non-harmonization of sanitary, phyto-sanitary, and technical standards at the continental level.
- II. The non-acceptance of approvals issued by the authorized national chambers of commerce or other national entities of Member States.
- III. The prohibition on the importation of some goods despite being on the list and originating from the domestic/continental economy.
- IV. The road harassment and malpractices.

b) Corruption among Law Enforcement Agents

Extortions, intimidation, and harassment carried out by the police, gendarmerie, customs, and immigration officers on duties at the various borders can contribute negatively to the implementation of the AfCFTA. Such corrupt practices among these law enforcement agencies have sometimes provided excuses for some unscrupulous traders who may engage in the smuggling of goods under the pretext of AfCFTA goods.

c) Poor Trade Infrastructure

The pathetic nature and complete absence of trade infrastructure especially at the regional level (e.g. regional rail) provide a platform for the failure of the trading scheme. For instance, it's possible to witness goods leaving under the AfCFTA to travel to EU countries before returning to the targeted African countries because of the lack of functional local shipping lines.

d) Reliance on Manual Processes

Some of the official operators at the borders across the continent still rely on manual processes to conduct the business of government such as the calculation of taxes/duties payable by the business sector. There is a need to expedite the computerization process as a way of speeding up transactions under the AfCFTA.

e) Tariff Barriers

Some of the tariff barriers that may affect the AfCFTA as impediment include: levying of illegal taxes at the borders and on the roads (such as transit fee, parking fee, conveyance tax, municipality taxes, etc.)

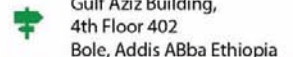
f) Ignorance on the Part of Operators

Many importers/ exporters will be ignorant of the rules unless they are simplified to guarantee their appreciable level of understanding. Some traders operating under the AfCFTA may fail to submit complete documentation, a situation that normally leads to delay at the border points. The poor understanding among regional farmers/traders regarding the movements of agro produce as well as animals across member states may also constitute a significant challenge. Ignorance on this issue may not be limited to the private sector but also found on the part of the public sector practitioners who may not be well familiar with the contents of the rules nor the interpretation of the AfCFTA

procedure. Other challenges such as currency conversion, high cost of transportation and communications infrastructure, language barriers, and other logistics problems such as improper or inadequate packaging of goods, etc. may also constitute delays or obstacles in the implementation of the ECOWAS Trade Liberalization Scheme (ETLS).

Evidently, trade liberalization will, in the long run, continue to play a significant role in determining a country's trade relations in the global world. The advantages of free trade in integration schemes are well documented. They are first and foremost, a measure of the degree of integration among member states. The AfCFTA can play a very significant role in reform and further liberalization of trade policies, but for this, to work all hands (governments, private sector, customs personnel, and other law enforcement agents) must be on deck for credible solutions to facilitate the success of the initiative.

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