Introduction to Symposium on Trade Facilitation and the AfCFTA

By:

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The commencement of trading under the African Continental Free Trade Area (AfCFTA) heralds a new chapter for Africa's integration agenda. The agreement aims to create a single continental market for goods and services and promises to increase intra-African trade and achieve several socioeconomic benefits for the continent. However, the projected benefits can only be achieved through proper implementation of the AfCFTA's provisions on elimination of tariffs as well as addressing non-tariff barriers through implementation of appropriate trade facilitation measures. This symposium evaluates some of the key trade facilitation issues that member countries need to effectively address in order to ensure the AfCFTA's success.

The first contribution by Dennis Ndonga looks at the AfCFTA's Rules of Origin (RoO), which remains one of the few issues that member countries are yet to finalise despite commencing trade. He begins by noting that RoO can be designed in different ways and highlights the differences in the structure of preferential RoO applied by some of Africa's largest Regional Economic

Communities (RECs). He argues that the ultimate design of the AfCFTA's RoO has the capacity to act as a non-tariff barrier to intra-African trade and that member countries can draw lessons from their experience with the RECs RoO in ensuring that the finalised AfCFTA RoO do not limit it from achieving its objectives.

Tsotang Tsietsi discusses the importance of transparency as a trade facilitation tool and notes the AfCFTA's provisions on transparency. She analyses the shortcomings that some African countries, in particular Southern African States, have had in terms of fulfilling their transparency requirements and how it has impacted trade in the region. She makes recommendations on what member countries can do to enhance their transparency obligations under the AfCFTA.

The success of AfCFTA will further depend on how border officials are able to administer the concessions and trade facilitation measures under the agreement. Sendra Chihaka calls attention to the issue of Customs officials' awareness of the AfCFTA's requirements that touch on border processes. A lack of awareness of the requirements risks delaying border processes and thereby eroding some of the benefits promised under the new agreement. Her discussions give insight into the lack of Customs awareness to regional trade terms, and outline a strategy on how to improve the awareness levels.

Ferdinand Ntuli continues with the focus on Customs officials and notes how their role in safeguarding their borders from illegal trade and prohibited products, will have to adjust under the AfCFTA. The increased level of trade expected from the agreement would pose a new challenge for Customs administrations in Africa, on how to enforce their trade security measures without compromising the efficient flow of African goods across their borders. Ferdinand examines how Customs administrations can achieve an appropriate balance between facilitating trade under the AfCFTA while continuing to safeguard their borders.

The symposium concludes with Adam Willie's contribution, which explores the issue of achieving trade efficiency while trading under the AfCFTA. He focuses on Africa's border post infrastructure and the concessioning arrangements that African countries make with private developers. In evaluating these arrangements he questions whether such arrangements fairly charge for the

value that they add to border processes and whether their implementation is sufficient to ensure that there will be efficient movement of intra-African exports and imports being traded under the AfCFTA.

Contributors

Dennis Ndonga: Introduction to the Symposium on Trade Facilitation and the AfCFTA

Dennis Ndonga: Rules of Origin as a Key to the AfCFTA's Success: Lessons that can be Drawn from the Regional Experience

Tsotang Tsietsi: In Pursuit of Transparency for Trade Facilitation in Southern Africa

Sendra Chihaka: Low Levels of Customs Officials' Awareness, A Recipe for Underutilisation of AfCFTA

Ferdinand Everest Ntuli: Trade Security Role of Customs Administrations within the AfCFTA

Adam Willie: Border Posts Infrastructure Concessioning Regime and Trade Efficiency under the AfCFTA

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