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East-African Court has Suspended EU-Kenya Trade Agreement

The Regional Court of Justice has decided to put the agreement on hold pending a ruling on the merits of a complaint, which alleges that Kenya did not sufficiently consult its neighbors on its trade partnership with Brussels.

US-Africa Trade at a Crossroads: Lessons from Morocco's U.S. Free Trade Agreement as AGOA Expires

According to a *Brookings commentary*, AGOA's expiration in September 2025 has created uncertainty for African exporters and policymakers at a moment when the African Continental Free Trade Area is gaining momentum and shifting trade priorities toward regional integration. Morocco's experience with its 2006 free trade agreement with the United States illustrates the limits of asymmetrical bilateral agreements: Morocco's imports from the U.S. grew faster than its exports, its trade balance worsened, and shifts toward capital-intensive, male-dominated sectors weakened both export competitiveness and female labor force participation. Structural asymmetries, unequal tariff commitments, and limited productive capacity further constrained Morocco's

ability to benefit, while recent U.S. political decisions, such as new tariffs imposed in 2025, heightened the agreement's vulnerability. These outcomes suggest that preferential access alone does not guarantee competitiveness or structural transformation. As African countries consider next steps after AGOA, the analysis highlights the risks of fragmented bilateral deals and underscores the advantages of collective negotiation, stronger regional value chains through the AfCFTA, and a strategic focus on building productive capacity before relying on trade preferences.

The End of AGOA? A Time for a Reset and Diversification for the African Union

According to The Institute for Agriculture & Trade Policy, AGOA's lapse on September 30, 2025 has left Sub-Saharan African exporters facing steep new U.S. tariffs and widespread job losses, particularly in apparel, textiles, and agriculture, while efforts in Washington to extend or replace the program remain stalled. Industries built around AGOA, especially in countries like Kenya, South Africa, Lesotho, and Madagascar, now confront factory closures, declining investment, and tariffs of up to 15-60% on products that once enjoyed dutyfree access, threatening tens of thousands of jobs and disrupting national export strategies. The expiry comes amid the Trump administration's broader shift toward protectionism, including a universal 10% tariff and additional surcharges on African imports, even as U.S. engagement with AGOA countries remains limited and Africa's share of U.S. imports stays under 1%. At the same time, China has expanded its zero-tariff treatment and deepened its role as Africa's largest trading partner, though concerns about trade imbalances persist. The article concludes that AGOA's end offers both risk and opportunity: the U.S. could renew AGOA as a bridge toward a more balanced, partnershiporiented trade strategy aligned with AfCFTA, while African states should diversify trade partners, strengthen regional value chains, and invest in local agricultural production to enhance resilience in an era of geopolitical competition and shifting global trade dynamics.

Trump Axes Sh7.76bn Road Deal Signed by Ruto and Biden

According to *Business Daily Africa*, U.S. President Donald Trump has scrapped a \$60 million deal (Sh7.76bn) Biden signed with Kenyan president, William Ruto,

throwing the Nairobi Bus Rapid Transit (BRT) project into uncertainty.

Blocked in Kenya, Nigeria Opens up for Uganda Milk

According to *Monitor*, Uganda is set to flag off 200,000 tons of powdered milk to Nigeria (valued at over Shs3.7 trillion/\$1.02billion at factory price) at the end of this month, in a trade deal which promises to create another large scale milk off taker for the country, after Algeria.

South Africa- An Important Investment, Trade Partner- Tengku Zafrul

According to *NST*, Malaysia's investment and trade minister, Tengku Zafrul Abdul Aziz, emphasized South Africa's importance as Malaysia's largest African trading partner, noting that bilateral trade reached RM7.82 billion in 2024, with exports and imports nearly balanced. He highlighted Malaysia's broader strategy to deepen ties with the African Union and credited Malaysians abroad for helping strengthen the country's global standing. During official visits to Ethiopia and South Africa, he underscored Malaysia's economic momentum, including 5.2 percent GDP growth in the third quarter of 2025 and RM285.2 billion in approved investments in the first nine months of the year, more than half from foreign sources. Tengku Zafrul is traveling with Prime Minister Anwar Ibrahim's delegation across Ethiopia, South Africa, and Kenya, coinciding with Anwar's participation in the G20 Leaders' Summit in Johannesburg as ASEAN Chair.

South Africa must Avoid the Weaponization of Trade: Special Envoy

According to *Yahoo News*, South Africa should diversify its commercial ties to protect itself from the fallout of a global transition away from multilateralism and the "weaponization of trade," the country's special envoy told Semafor. Mcebisi Jonas, a former deputy finance minister and current chair of telecoms company MTN, also said Africa's largest economy must shift to a "free trade approach," away from its current focus on investment treaties.

Will Trump's "No-Show" Eclipse South Africa's G20 Moment?

When it assumed the presidency of the G20 last year, South Africa hoped that as the first African country to host the gathering of world leaders, it could champion issues that mattered the most to developing nations. Discourse

surrounding the meeting has been dominated by Donald Trump's very public decision not to attend. The U.S. President said he would not go due to the widely discredited claim that South Africa's white minority is the victim of large-scale killings and land grabs. The relationship between the two countries has become increasingly fraught over the past year.

Afreximbank Targets \$40bn by 2026 to support Intra-African Trade, AfCFTA

According to *Business Day*, African Export-Import Bank (Afreximbank) said its financing and trade facilitation instruments are meant to support intra-African trade and the AfCFTA, adding that it disbursed \$20 billion (2017–2021) in support of intra-African trade and investment, "and we are on course to double this to \$40 billion by 2026.

ADAPT Initiative Touts Blockchain and Stablecoins in Move to Transform African Trade

According to MSN, ADAPT (Africa Digital Access and Public Infrastructure for Trade) is a new AfCFTA-led initiative designed to modernize and digitize trade across all 55 African countries by 2035, using blockchain technology, digital public infrastructure, and stablecoins to make cross-border commerce faster, cheaper, and more transparent. Developed in partnership with the IOTA Foundation, the Tony Blair Institute, and the World Economic Forum, the project aims to streamline customs clearance, cut payment costs, secure digital trade documents, and ensure interoperable digital identities. Early projections estimate that ADAPT could generate an additional \$70 billion in annual trade, reduce border processing times from up to 14 days to under three days, and lower cross-border payment fees to below 6%, and potentially under 3% as the system matures. The first rollout is planned for Kenya in early 2026, followed by Ghana and a third country, with continent-wide deployment beginning in 2027. Supporters argue that digitalization will help overcome longstanding inefficiencies such as slow settlement processes and paper-based documentation, especially as cryptocurrency adoption grows across Africa and stablecoins already represent a significant share of regional digital transactions.

EU, Africa Leaders Talk Trade and Minerals in Angola Summit

According to MSN, European and African leaders met in Luanda for a joint summit aimed at strengthening economic and security cooperation, while the gathering also provided an opportunity for urgent EU talks on a controversial U.S. proposal to end the war in Ukraine. The summit highlighted growing geopolitical competition for Africa's resources, with EU officials emphasizing the need to modernize the 25-year partnership by investing in infrastructure, energy, and job-creating industries to remain competitive against China, the U.S., Russia, and Gulf states. Leaders including South Africa's Cyril Ramaphosa and the DRC's Félix Tshisekedi joined EU counterparts to discuss shared priorities such as boosting intra-African trade, securing critical minerals for Europe's green transition, and advancing projects like the Lobito corridor. Speakers stressed the need to revive multilateralism and move beyond declarations toward "credible, implementable commitments," as Africa leverages broader global engagement to gain bargaining power. The EU hopes that initiatives under its Global Gateway strategy will bolster its role on the continent, though analysts note that Europe's credibility will depend on delivering tangible benefits rather than symbolic announcements.

Events - 11/24/2025

<u>"Kenya End of Year Reception."</u> Invest Africa. *Nairobi, Kenya*. 3 December 2025.

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