

There are no translations available.

The African Union, in partnership with AfroChampions launched in October 2019 an Investment Framework to fully operationalize the African Continental Free Trade Area (AfCFTA) through private sector-driven investments across various sectors on the continent aiming to overcome the fragmented nature of African markets.

Initially presented to African Heads of State at the African Union Extraordinary Summit of July 2019 in Niamey, the Investment Framework has been further expanded by AfroChampions that recently published a [new version of the document](#) that identifies the preconditions necessary to harness the opportunities arising from the implementation of the AfCFTA, including efficient cross-border transportation networks for the movement of goods and people, regular and stable supply of power to industries at competitive tariff, and the removal of non-tariff barriers to trade.

The Investment Framework aims to stimulate by 2030 investments of the tune of One Trillion US Dollars (\$US1 Trillion) or more, in projects aimed at developing infrastructure, set up industries, add value to goods and services, increase intra-Africa trade and eventually transform the continent.

To this end, core opportunity areas in strategic sectors are identified where development finance institutions, banks, credit institutions and sovereign and private funds can be leveraged in order to maximise the impact of investments. The modalities in which the private sector (within and outside the continent) can take advantage of the AfCFTA are also explored in view of increasing intra-continental trade and create wealth. In this regard, the Afrochampions document highlights the need to develop projects resulting in the production of goods which meet the AfCFTA's Rules of Origin and have the potential to boost intra-Africa trade. Moreover, the Framework urges African States to develop public-private partnership projects aiming at digitizing One Stop Border Posts, customs clearance and cargo tracking systems, among others.

Programs aimed at promoting value addition and industrialization through encouragement of Research and Development (R&D) and innovation, mass registration of patents and commercialization of R&D are also mentioned, even though an important aspect seems missing in the document, i.e. the need to intensify linkages and collaboration ties between African companies and universities with a longstanding mission of developing and transferring technology to local industry and stimulating the creation of new businesses. This aspect is

critical for the success of clusters of technology-intensive companies, as the experience from other countries and regional blocks shows. In this regard, a publication from the National Academies Press (US) titled “ [Best Practices in State and Regional Innovation Initiatives: Competing in the 21st Century](#) ” (2013) clearly indicates that technology-intensive industries have a propensity to locate their operations near the best universities, especially those specializing in science and engineering, because in such a way they can enable their internal research departments to work in cooperation with renowned researchers and scientists and recruit promising students from these academic circles.