

The fourth edition of the International Trade Centre (ITC) publication “ [Promoting SME Competitiveness in Francophone Africa](#)”

finds that in francophone Africa only a quarter of firms know the AfCFTA and its benefits. Hence, the report concludes that efforts are still necessary in order to increase the Small and Medium Enterprises (SME) knowledge of the opportunities offered by the new continental free trade agreement.

On 2,557 enterprises interviewed between May and July 2021 in various francophone African countries, 25% of them stated that they had not even heard or read about the AfCFTA. Surprisingly, most of these are large companies and companies already selling their products or services in other African countries.

On the other hand, those firms that are familiar with the Continental Free Trade Agreement are generally positive about its potential to unlock trade and investments in Africa. About 75% of them showed a particular enthusiasm to start trading under the AfCFTA rules.

The report also offers an insight on the major challenges in intra-African trade from the point of view of SME in francophone countries, revealing that the high cost of logistics and transportation is by far the major obstacle to trade between African countries (for 41% of the interviewed sample), followed by frequent delays or uncertainty in shipments, that 20% of interviewed companies considers another key obstacle to inter-African trade.

This aspect highlights two main problems that African countries still are confronted with: the high incidence of Non-Tariff Barriers and their poor performances in terms trade facilitation. This also raises the importance for national governments, African Regional Economic Communities and African Union institutions to intensify their efforts in simplifying African cross-border trade, an aspect that will be critical for realizing the full benefits from the AfCFTA implementation.

Conversely, the interviewed sample declared that high customs fees and other taxes, as well as the lack of market information on other African States have only a limited incidence on their difficulties to export in other parts of the continent, respectively, accounting for 6 and 5 %, as shown in the graphic below.

Major obstacles encountered by businesses when exporting or trying to export across borders within Africa

