

The EU has strongly contributed to the African Continental Free Trade Area (AfCFTA) implementation by offering support in many aspects: political, technical and financial. But it is said that nobody does anything for nothing. So, how European companies will benefit from this Agreement? A [study](#) from the Kiel Institute study tries to shed some light on this issue, arguing that the AfCFTA offers an opportunity to reverse the trend of a progressively declining trade between the EU and Africa. In fact, despite the fact that the EU still remains the top trading partner for most African countries, its share in total African exports and imports has decreased steadily over the last 20 years (from nearly 50% in 2000 to 35% in 2020), as African economies have increasingly redirected part of their trade toward Asian countries. But if the AfCFTA is a free trade arrangement that covers uniquely trade between African countries, how third countries can benefit from it by expanding their trade with Africa?

First, the study notes that trade between Africa and Europe still largely follows colonial trade patterns. A recent [study](#) by IBON International particularly insisted on this aspect, noting that African trade with Europe is still dominated by the supply of commodities (mineral and agricultural) and raw materials, while its imports from the EU are mainly represented by industrial (e.g., machinery, appliances, electrical equipment) and manufactured goods. Among EU member States, Germany is the second largest supplier of these goods to Africa. EUROSTAT statistics [confirm this data](#), showing that trade between Europe and Africa is mainly polarized between Northern Africa and South Africa. Things are completely different for what concerning the intra-African trade, as African States exchange among them more manufactured goods.

Despite this pattern, the AfCFTA successful implementation is seen as a strategic priority in the EU's evolving relationship with Africa. By facilitating intra-African trade and investment through the AfCFTA, the EU aims to improve its own connectivity with African economies and build a comprehensive continent-to-continent free-trade area in the longer term. It must be remembered that a few months ago, the EU launched a [study](#) to identify a list of Strategic Corridors in Africa where to concentrate investments based on the assumption that they will improve connectivity not only within Africa, but also between the EU and Africa.

But it does not finish here. As it is known, the AfCFTA aims not only at eliminating tariffs between African countries, but also at lowering Non-tariff Barriers (NTBs), which are generally seen as a major barrier to intra-African trade. NTBs, however, constitute a major obstacle not only for African trade integration, but also for EU exports to the continent. It is expected that not only African States will benefit from the reduction of eNTBs that is pursued by the AfCFTA, but also European exporters. Such a way, the gains from the agreement will also extend to the EU and trade between EU and Africa will raise again.

In this regard, the report makes a simulation by considering different scenarios. The hypothesis where NTBs are reduced only between AfCFTA economies (whereas NTBs faced by third party exporters to AfCFTA remain unchanged) is compared with the scenario where NTBs reductions are broader, as they will also be beneficial to european exporters to Africa. It's only the last scenario that will give the greatest benefits to EU companies. The report concludes that AfCFTA support should therefore focus on the agreement's provisions concerning the NTBs reductions, providing technical support to AfCFTA economies in lowering NTBs not only at intra-Africa level, but on a multilateral basis (i.e. also for extra-continental trading partners of AfCFTA members).