

There are no translations available.

After the official launch of the AfCFTA Secretariat, which opened in Accra on 17 August 2020, followed by the beginning of trade under the African Continental Free Trade Agreement (AfCFTA) - originally planned for 1 July 2020 and subsequently delayed to 1st January 2021 because of the COVID-19 pandemic - an

[article](#)

published on Africa Renewal takes stock of the status of the AfCFTA implementation at the beginning of its second year of operationalisation.

An important achievement was the launch in September/October 2022 of a programme called “AfCFTA Guided Trade Initiative” as a pilot exercise to assess the readiness of some selected African States to trade on the basis of the new continental free trade area framework. The purpose of the Initiative was to test the operational procedures and documents introduced by the AfCFTA Agreement by exchanging commercially meaningful goods identified by such States bilaterally at preferential duty rates. The Guided Trade Initiative (GTI) included 8 countries representing five regions across the continent, namely: Cameroon, Ghana, Egypt, Tanzania, Kenya, Rwanda, Mauritius and Tunisia. Subsequently, other countries will join. However, most of the products traded under the guided initiative included low-value addition goods, especially agricultural goods (e.g., coffee and tea). The only exception was a shipment of [exide batteries](#) originating from Kenya that was exported to Ghana via sea at the end of September 2022.

On April 2021, the AfCFTA Dispute Settlement Body was also [operationalized](#), with the first meeting that was held on 26 April at the AfCFTA Secretariat. In the same year, the Pan African Payment and Settlement System (PAPSS)

[went online](#)

, while during the official opening of the

54th Conference of African Ministers of Finance, Planning, and Economic Development held on 16 May 2022 in Dakar, Senegal, the

[ATEX platform](#)

was officially launched

. The ATEX is a Business-to-Business (B2B) tool specifically targeted to African businesses, which aims at supporting African companies to find new markets in Africa for the purchase of basic commodities that are much needed for their production or for their supply chain needs.

Another important achievement is the launch of "

[Trade Barriers Africa](#)

", a mechanism at continental level for identifying and removing non-tariff barriers to trade in Africa, operational since 13 January 2020. The 2022 saw also the launch of the

[AfCFTA Glossary](#)

realised by th

e AfCFTA Secretariat and the International Trade Centre

(ITC), which unfortunately has never been made available online.

The Africa Renewal article notes that despite the AfCFTA is basically on track, having this agreement effectively operational still requires a strong political will, which is particularly needed for completing the remaining negotiations on other policy areas covered by the Agreement, such intellectual property, women and youth in trade, investment, competition policy and digital trade, that are key for enhancing regional integration and where progress so far has been slow. The negotiation process has also slowed down with regard to the AfCFTA Rules of Origin as, so far, an agreement has been reached by state parties and Customs Unions in the continent only on 88.7% of their tariff lines. In this regard, an AfCFTA [Rules of Origin Manual](#) was launched at the end of July 2022 as part of the AfCFTA

[e-tariff book](#)

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Presently, intra-Africa exports stand low at around 15% of total African exports. Such trade regards mainly (61%) processed and semi-processed goods, while goods exchanged with third countries still follow a colonial pattern, being based on exports of primary commodities. However, the 15% share of intra-African exports does not include the informal trade, which is widespread in Africa, despite in regional economic blocs such as the Southern African Development Community (SADC) and the Common Market for Eastern and Southern Africa (COMESA) formal cross-border trade is reported to make up to 90% of official trade flows, contributing up to 40% of total trade of such regions.

In addition, about 34% of households in Africa still live below the international poverty line (\$1.9 per day), according to UNCTAD, with about 40% of the continent's total wealth that is owned by just a few.

In terms of free movement of people, a policy which is complementary to the AfCFTA, good progress has been registered in visa policies across the continent. In December 2022, the African Development Bank published the [2022 Africa Visa Openness Index](#) , which concludes that two-thirds of African countries have eased conditions for circulation of citizens from other African countries in the latest 6 years, by removing previous restrictions, introducing visa on arrival procedures, and adopting more liberal visa policies. Compared to the previous edition,

which indicated Seychelles as the only African country that allowed visa free entry to all Africans, now also Benin and Gambia have adopted visa-free entry policies.

The article also mentions a World Bank study titled " [Open Skies for Africa--Implementing the Yamoussoukro Decision](#) " that examines Africa's progress towards liberalizing air services. According to such a study, to date many African countries still restrict their air services markets to protect the share held by state-owned air carriers, pointing out the case of ECOWAS, where steps toward the liberalization of air services have not produced significant results.

The article concludes that in order to unlock the untapped potential of inter-African trade, non-tariff barriers, infrastructure gaps, and market information gaps need to be successfully addressed. This requires joint efforts under the AfCFTA. In addition, long-term cooperation in investment and competition policies are essential as this will help circumvent market dominance by a few players and push back structural and regulatory barriers to market entry.