On 30th October 2022, the African Peer Review Mechanism (APRM), a Specialized Agency of the African Union (AU), in collaboration with the African Continental Free Trade Area (AfCFTA) Secretariat held a <u>three (3)-day continental meeting</u> in Cape Town, South Africa, to discuss the development of an AfCFTA Trade Policy Review Mechanism (AfTPRM) to monitor the respect by African States of their commitments under the AfCFTA. Since then, the process has been moving forward, and recently, on 10 May 2023, a consultative meeting was held in Abuja, Nigeria, to advance work for the establishment of the AfTPRM.

An essential prerequisite for the effective operationalization of the AfCFTA is the commitment by the States Parties to implement the provisions contained in the Agreement (including its various Protocols, Annexes and Appendices), by aligning their trade policies with the new continental regulatory framework and incorporating the reforms introduced by the AfCFTA into their national legal systems.

The problem, however, is that to date there is no system in place to monitor the status of implementation of such commitments and the adherence by AfCFTA State parties to rules and commitments introduced by the Agreement. Article 4(g) of the <u>AfCFTA Agreement</u> stipulates that State Parties shall "establish and maintain an institutional framework for the implementation and administration of the AfCFTA", mandating the Council of Ministers, to "ensure effective implementation and enforcement of the Agreement". (Article 11(3)b).

The AfTPRM is inspired to a <u>similar mechanism</u> developed at multilateral level under the General Agreement on Tariff and Trade (GATT) with the Decision of 12 April 1989 (GATT document L/6490) which was subsequently incorporated in

Annex 3 of the Marrakesh Agreement

establishing the World Trade Organization. Called "Trade Policy Review Mechanism" (TPRM), this tool aims at monitoring the trade policies of the WTO member States at regular intervals, to evaluate their adherence to the rules, disciplines and commitments under the different WTO Agreements. The frequency of the review can be 3, 5 or 7 years, depending on the size of the relevant country or customs territory, and its share of world trade. Since 1 January 1995, reviews have covered not only trade in goods, but also new areas like trade in services and intellectual property rights.

The AfCFTA has borrowed many of its provisions from the WTO system. This includes for instance the AfCFTA Dispute Settlement mechanism, and many annexes of the Protocol on Trade in Goods and the Protocol on Trade in Services. The International Trade Centre (ITC), in its publication "<u>A business guide to the African Continental Free Trade Area Agreement</u>" made a comparative analysis between the AfCFTA text and the GATS/WTO texts, concluding that similarities were much more than differences.

Even the AfCFTA Secretariat is roughly inspired to the WTO Secretariat for what concerns its mandate and functions.

With this new instrument, now the institutional framework governing the implementation of the AfCFTA becomes even more similar to the WTO system.

Nevertheless, a positive aspect of the AfTPRM is that the trade policies reviews can act as a 'soft' enforcement mechanism that can provide an extra push to AfCFTA States Parties in fulfilling their AfCFTA implementation commitments. This is particularly important, as this tool can help to break what it seems to be a constant in the integration process in Africa, as described in a <u>report dated 1991</u> published by the Kiel Institute of World Economics.

In fact, in analyzing the configuration of regional integration initiatives in different areas of the world, the report described the typical integration model in Africa as a process that is particularly dynamic in the initial phase, where each reform is welcomed by great fanfare (in some cases even with an attitude of religious worship), and accompanied by the adoption of numerous programs with establishment of many institutions. This phase is normally followed by a period where a bunch of countries delays the implementation or ratification of agreements, and a **final phase where States default the commitments taken**

, by losing interest or reverting back to the prioritization of their national interests over regional ones.

Does anything come to mind?