

To facilitate cross border trade between Zambia and Malawi and other neighboring countries, COMESA has announced the launch of the construction works of a cross-border market for small-scale cross border traders in Chipata, in the Eastern Province, at the frontier with Malawi. The construction of border markets is particularly important in Africa due to the fact that borders are areas of high intensity of trade, because of an historical reason.

After the Berlin Conference, held among the former colonial powers from November 15, 1884 to February 26, 1885, Africa resulted divided by borders in many cases separating homogeneous border communities that shared same traditions, cultures and languages, as happened with the Ewe in West Africa, separated by artificial borders among the territories of Nigeria, Benin, Togo and Ghana, as explained in this

[article](#)

. Another case in point are the Masaai that populate Kenya and Tanzania. After African states gained independence, colonial borders were accepted as sacrosanct and inviolable by the Organisation of African Unity (OAU) - the predecessor of the African Union - which in the [Cairo Declaration \(1964\)](#)

declared that

*“all Member States pledge themselves to respect the borders existing on their achievement of national independence”.*

Even if such borders are strictly surveilled and protected by African states, they haven't managed to disrupt interactions between people living on opposite sides, often linked by clan or family ties that date back to centuries. The result is that still today, intra-Africa trade tends to be concentrated at borderlands, i.e., intersection points between two or more States where, over time, robust border economies have grown, which have taken advantage of the fact that the presence of control authorities is limited or nonexistent. This explains why still today, a large part of intra-African trade takes place informally, escaping the systems of taxation and statistical monitoring of trade flows that are put in place by African states.

A [study](#) made in 2022 by Imani at five regional border posts in Southern Africa, raised the importance of creating at African borders a workspace infrastructure for traders, explaining that cross-border markets facilitate interactions between buyers and sellers, boosting their trade opportunities. The report also noted that these markets can offer traders a place where they can trade safely without incurring in the risk of being targeted by local authorities who can seize their

goods or harass them for not adhering to the strict border and trade rules they are called to implement. At the same time, cross-border markets can produce additional revenue for governments, since traders who use such spaces and the facilities therein (ex. storage areas and sanitary facilities), may be charged with a fee, which in any case should be set at a reasonable level. Furthermore, exemption from paying customs duties and other additional taxes (e.g., VAT, excise duties, etc.) below certain transaction thresholds can be an additional system to encourage such traders to formalize their activities. With the full operationalization of the AfCFTA, the payment of customs duties on goods traded between African countries will be eliminated, so cross-border markets will play an important role in encouraging intra-African trade of goods of African origin. The exoneration of transactions below a determined threshold from the payment of customs duties is, in any case, at the basis of the various Simplified Trade Regimes (STR) implemented or in course of implementation in some African regions such COMESA, EAC and SADC. To be noted that the STR as a tool for facilitating small-scale trade and promoting its conversion to formal trade, is recognized in one of the recitals the [Af CFTA Protocol on Women and Youth in Trade](#), still under negotiation.

Already in [March 2023](#), the Government of Zimbabwe and the COMESA Secretariat signed a Euro 920,544.28 sub-delegation agreement to construct a cross-border market at the Chirundu border post with Zambia. The new project started in Chipata will be followed by the construction of a second cross-border market at Mchinji, where a One Stop Border Post between Zambia and Malawi is operational. Once completed, these two markets are expected to bolster cross-border trade between the two countries.