



Report



AfCFTA National Implementation Committees: Scoping options and support mechanisms

**AfCFTA Secretariat Directorate of Institutional Matters and Programmes
Coordination (DIMPC): Prudence Sebahizi, Million Habte, Halima Noor,
Yafika Chitanda and Jose Luis Tavares Semedo**

and

ODI: Dirk Willem te Velde, Derrick Abudu, Prachi Agarwal and Max Mendez-Parra

April 2023



Readers are encouraged to reproduce material for their own publications, as long as they are not being sold commercially. ODI requests due acknowledgement and a copy of the publication. For online use, we ask readers to link to the original resource on the ODI website. The views presented in this paper are those of the author(s) and do not necessarily represent the views of ODI or our partners.

This work is licensed under CC BY-NC-ND 4.0.

How to cite: Sebahizi, P., Habte, M., Noor, H., Chitanda, Y., Semedo, J. T., te Velde, D. W., Abudu, D., Agarwal, P., Mendez-Parra, M. (2023). *AfCFTA National Implementation Committees: scoping options and support mechanisms*. ODI Research Report. London: ODI (<https://odi.org/en/publications/afcfta-national-implementation-committees-scoping-options-and-support-mechanisms>)

Acknowledgements

This paper has been prepared by staff from the AfCFTA Secretariat – DIMPC (Prudence Sebahizi, Million Habte, Halima Noor, Yafika Chitanda and Jose Luis Tavares Semedo) and ODI (Dirk Willem te Velde, Derrick Abudu, Prachi Agarwal and Max Mendez-Parra). It forms part of the UK FCDO-supported project on Supporting Investment and Trade in Africa (SITA).

We are grateful to a range of individuals for providing information and text relevant to this report, including Francis Anatogu (Nigeria); Fareed Kwesi Arthur (Ghana); Batanai Chikwene and Laura Naliaka (UNECA); GIZ officials in Ghana, Ethiopia and Tanzania (Arusha); FCDO and TMA officials; and Africa directors in JICA and USTR. We have also drawn on a workshop organised at ODI on 7 February 2023 on the future of Aid for Trade.

We thank participants of an AfCFTA consultative meeting on the AfCFTA trade policy review mechanism for State Parties on 27 and 28 March in Arusha for comments, especially the representatives of DRC, Kenya, Tunisia and South Africa, whose experiences are also included in this paper.

We thank David Luke and Faizel Ismail for detailed peer review. We are also grateful to Melaku Desta for discussions.

Any views or potential errors are the responsibility of the authors and not the views of the AfCFTA Secretariat, ODI or UK FCDO.

The analysis and findings emerging from this paper aim to inform the AfCFTA guide to the formation and operation of AfCFTA National Implementation Committees.

Contents

Acknowledgements / i

Display items / iv

Acronyms / v

Executive summary / 1

1 Introduction / 6

2 Trade policy-making in Africa – what do we know works? / 8

2.1 WTO trade facilitation committees / 8

2.2 Enhanced Integrated Framework / 9

2.3 Other general economic transformation experiences / 10

2.4 Conclusions / 10

3 Reviewing the institutional landscape of AfCFTA implementation / 11

3.1 Review of experiences / 11

3.2 Synthesis of AfCFTA implementation experiences / 21

3.3 Towards an NIC template: functions and forms / 26

4 Possible roles for the AfCFTA Secretariat in implementing the AfCFTA / 29

4.1 A modest role for the AfCFTA Secretariat / 30

4.2 An active role for the AfCFTA Secretariat / 30

4.3 An intensive and supporting role for the AfCFTA Secretariat / 33

4.4 Mandate of the AfCFTA Secretariat in the implementation of the Agreement / 34

4.5 Accessing AfT to support the Secretariat's role / 36

5 Conclusions and implications / 39

References / 41

Appendix 1 Legal provisions on the role of the AfCFTA in country-level implementation – illustrative examples / 42

Appendix 2 Lessons from trade facilitation committees for the AfCFTA / 44

Experience of NTFCs in implementation of the WTO TFA / 44

Appendix 3 Lessons from the Enhanced Integrated Framework for AfCFTA implementation / 51

Appendix 4 The Guided Trade Initiative and the role of National Implementation Committees / 54

Appendix 5 Status of implementation strategies and role of national implementation committees / 57

Appendix 6 Readiness of African countries to participate and lead on AfCFTA issues / 59

Display items

Boxes

Box 1 Questions from State Parties on National Implementation Committees / 7

Box 2 An update on NIC experiences / 11

Box 3 Possible steps in the AfCFTA Review Mechanism / 32

Box 4 AfCFTA Institutions / 35

Box 5 ODI roundtable on the future of AfT – summary and implications / 38

Tables

Table 1 Reviewing AfCFTA implementation structures / 22

Table 2 Status of UNECA -supported implementation strategies / 25

Table 3 Role of the AfCFTA Secretariat in implementing the AfCFTA / 30

Table A1 Select Trade Facilitation Committees in Africa / 45

Table A2 Performance of NTFCs across Africa / 47

Table A3 Selected successful experiences of African countries and RECs in TFA implementation / 48

Table A4 The experience of EIF support in 4 countries and lessons learned / 52

Table A5 Status of interventions, ECA's support to AU Member States to develop AfCFTA implementation strategies / 57

Table A6 Status of UNECA supported implementation strategies / 58

Figures

Figure ES1 Ten essential functions of NICs / 2

Figure ES2 An NIC institutional form at country level / 3

Figure 1 Structure of Côte d'Ivoire's NIC / 12

Figure 2 Structure of Ghana's NIC / 14

Figure 3 Structure of Kenya's NIC / 17

Figure 4 Structure of Nigeria's NIC / 18

Figure 5 Structure of Rwanda's NIC / 21

Figure 6 A possible form for a National Implementation Committee / 26

Figure 7 Ten essential functions of NICs / 27

Figure A1 Relative ranking of countries' integration in continental trade and potential for being leaders in AfCFTA implementation / 60

Acronyms

| | |
|----------------|--|
| AfCFTA | African Continental Free Trade Area |
| AfT | Aid for Trade |
| AU | African Union |
| BIAT | Boosting Inter-African Trade |
| COD | Orientation and Decision Council (Côte d'Ivoire) |
| COMESA | Common Market for Eastern and Southern Africa |
| EAC | East African Community |
| EC | European Commission |
| ECOWAS | Economic Community of West African States |
| EIF | Enhanced Integrated Framework |
| ES | Executive Secretariat (Côte d'Ivoire) |
| EU | European Union |
| GTI | Guided Trade Initiative |
| IGAD | Intergovernmental Authority on Development |
| IMFC | Inter-Ministerial Facilitation Committee (Ghana) |
| LDC | Least Developed Country |
| MDAs | Ministries, Departments and Agencies |
| MEL | Monitoring, Evaluation and Learning |
| MINICOM | Ministry of Trade and Industry (Rwanda) |
| MoU | Memorandum of understanding |
| NAC | National Action Committee (Nigeria) |
| NASC | National AfCFTA/BIAT Steering Committee (Ghana) |
| NC | National Committee (Côte d'Ivoire) |
| NCO | National AfCFTA Coordination Office (Ghana) |
| NEDS | National Export Development Strategy (Ghana) |
| NGO | Non-governmental Organisation |
| NIC | National Implementation Committee |
| NTFC | National Trade Facilitation Committee |
| REC | Regional Economic Community |
| SADC | Southern African Development Community |

| | |
|---------------|--|
| SMEs | Small and Medium Enterprises |
| TC | Technical Committee (Côte d'Ivoire) |
| TFA | Trade Facilitation Agreement |
| TMA | Trade Mark Africa |
| TWG | Technical Working Group |
| UK | United Kingdom |
| UNCTAD | United Nations Conference on Trade and Development |
| UNECA | United Nations Economic Commission for Africa |
| US | United States |
| USAID | United States Agency for International Development |
| WTO | World Trade Organization |

Executive summary

This report discusses the role of National Implementation Committees (NICs) in implementing the AfCFTA Agreement. In line with the Decision of the 31st Ordinary Session of the Assembly of Heads of State and Government of the African Union (AU Assembly), held on 1–2 July 2018 in Nouakchott, Mauritania, Member States are required to set up NICs to facilitate implementation of the Agreement. The role for of the AfCFTA Secretariat in supporting these activities is paramount.

In response to requests from AfCFTA State Parties, this paper identifies appropriate institutional forms for NICs as well as 10 core functions in being effective implementation agencies. It then outlines a five-step AfCFTA template for effective NIC formation and operation. Further, it suggests possible options for the Secretariat to support implementation of the AfCFTA through NICs, a key task given that the AU theme of the Year 2023 is “Acceleration of the AfCFTA Implementation”.

Two features associated with the AfCFTA project are important for implementation issues. First, AfCFTA implementation structures will need to be designed in ways that align well with existing trade negotiations and implementation structures. Second, the AfCFTA is not only a free trade agreement but also a trade and development strategy involving a range of complementary instruments that address implementation, monitoring, payment systems, adjustment fund and industrial policy.

This paper has a number of key sections, each of which has key findings or suggestions relevant for AfCFTA implementation. It first reviews selected recent experiences in effective support for trade policy development in African countries. This review

suggests the importance of key factors, including a legal foundation; political support, leadership, vision and involvement of ministers; appropriate institutional capacities; coordination and avoidance of complicated or duplicated structures; expected economic impacts; and inclusivity.

In order to identify appropriate functions and forms of NICs, this paper reviews the experiences of established NICs in Côte d’Ivoire, Ghana, Kenya, Nigeria and Rwanda. The review shows that it is important to distinguish between their forms (which vary depending on context) and their functions (common areas of focus and conduct). There will be many different institutional forms depending on the country fit but a number of required functions apply in all cases. We identify 10 crucial NIC functions:

1. support the formulation of country positions in trade negotiations (involving coordination across ministries and complementing existing trade negotiation structures);
2. facilitate implementation, advise and lobby government around policy reforms necessary for proper implementation of the AfCFTA commitments and domestication of the AfCFTA legal instruments (through coordination across ministries) in line with existing structures to implement trade and development policy;
3. develop plans and strategies for AfCFTA implementation;
4. report on activities and plans and monitor and evaluate the activities of the NIC itself;
5. monitor and evaluate policies and projects to support AfCFTA implementation and relevant AU-related objectives such as the trade and development aspirations in the AU’s Agenda 2063;

6. coordinate and where necessary implement donor activities and capacity-building events in the area of the AfCFTA and development (covering trade and other instruments) in line with existing implementation structures (and not duplicating existing efforts);
7. raise awareness and collaborate with all stakeholders (communication);
8. enable meaningful collaboration with the private sector (certification, readiness assessments) to ensure economic benefits of the AfCFTA;
9. ensure inclusiveness (include mainstream vulnerable groups, gender and youth, and climate considerations) in AfCFTA implementation plans;
10. provide an interface between the AfCFTA Secretariat and countries and facilitate AfCFTA Policy Review Process and monitoring of the AfCFTA implementation in line with existing structures.

Figure ES1 Ten essential functions of NICs



Many State Parties have questions also about institutional forms. The guidance in this paper on this issue is less clear, as each country will need to decide the form that suits it best. However, five salient institutional form features also come out:

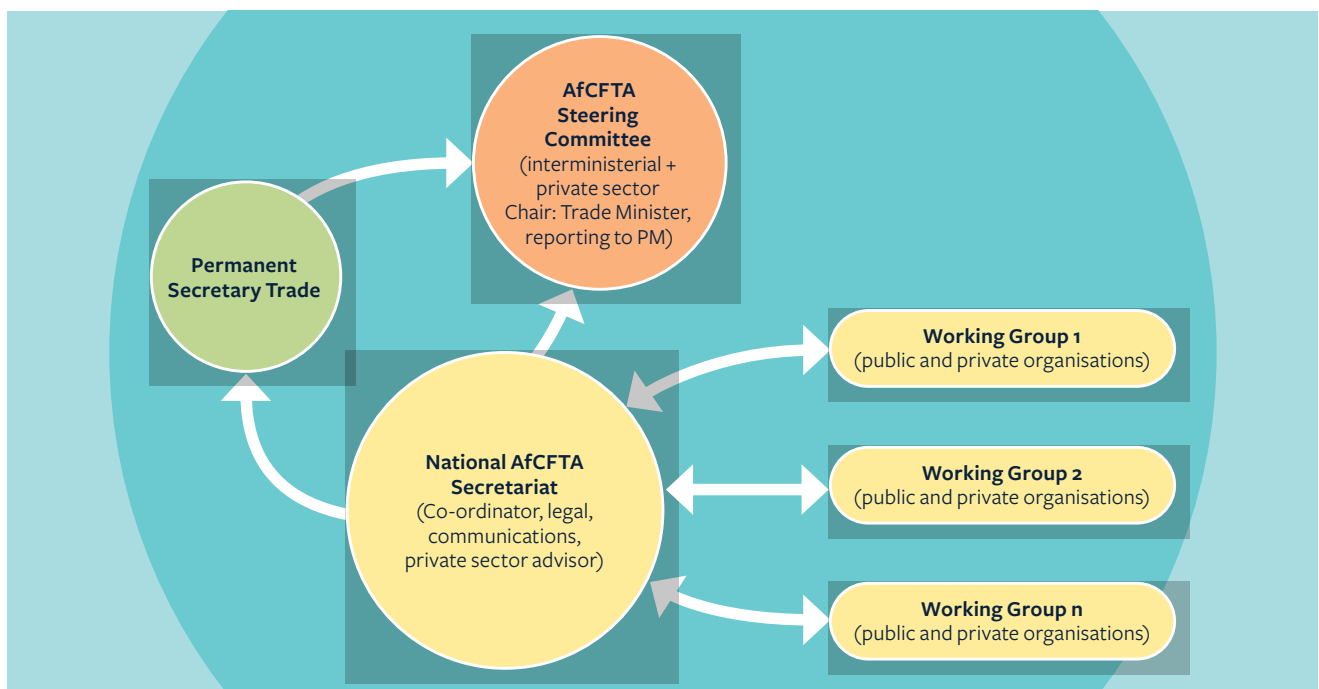
1. Three levels of bodies have been shown to be important in all cases: a high-level steering committee (chaired by the minister of trade or a higher-level official and reporting to the president or prime minister), a secretariat and technical working groups (TWGs). All these bodies and groups need legal backing.
2. The prime minister or president needs to oversee the high-level steering group but does not need to chair the actual group. The minister of trade could also take this role.
3. The Secretariat needs a senior, active, experienced and well-connected coordinator or lead, who reports to the steering committee and the permanent secretary (or equivalent) for trade

(the focus is on co-ordination, avoiding duplication of existing efforts). Other people could include a legal advisor, a strategic communications specialist, a stakeholder engagement specialist, programme officers, enterprise support specialists, IT officers, M&E expert and administrators.

4. The private sector and other stakeholders should be included at steering committee level and in the TWGs.
5. The NIC should engage in visible activities such as the Guided Trade Initiative (GTI); AfCFTA Policy Review Process; developing a monitoring, evaluation and learning framework; and working with the AfCFTA Secretariat Staff including the AfCFTA Secretary-General on visits and other communications.

It is challenging to summarise the different forms in one figure, but Figure ES2 tries to do this at a very general level (which requires country follow-up).

Figure ES2 An NIC institutional form at country level



Note: The AfCFTA Secretariat is the Secretariat of the NIC for AfCFTA

Different countries attach different levels of importance to NICs. For example, Côte d'Ivoire, Ghana and Nigeria are frontrunners for different reasons. Ghana is hosting the AfCFTA Secretariat and showcases implementation, whereas Nigeria used AfCFTA-related committees and consultations to support the process of signing and ratification of the AfCFTA. Other countries, such as Rwanda, have added AfCFTA functions to an existing national trade facilitation committee. NIC secretariats are usually housed and led by ministries of trade but often involve a high-level steering committee or a council with ministers from other ministries. NICs convene a number of working groups. Political and legal backing varies but is considered important for continuity and financial backing from national budgets and development partners. The private sector is usually included in the high-level governance structure. NICs also work to varying degrees with the private sector; for example, NICs help in the process of certifying companies to signal readiness to trade under AfCFTA rules.

There is a synergetic relationship between having an effective NIC, contributing to new (and sometimes temporary) activities such as the GTI, having validated implementation strategies, resource mobilisation and scoring high on importance and readiness for AfCFTA implementation. Our analysis focused on active NICs such as those of Côte d'Ivoire, Ghana, Kenya, Nigeria and Rwanda – and all have validated AfCFTA implementation strategies. This suggests that, if you are active and successful on one issue, you may also be active in another, though this match is not 100%. There is also a strong link between countries that are important players and more engaged in trade negotiations and presence of an effective NIC. One lesson from countries

trading under the GTI thus far relates to the crucial role of NICs in designing and implementing institutional and policy frameworks for the operating of the AfCFTA.

This paper suggests a five-step template for the formation of NICs appropriate for each country setting:

1. **Form multi-stakeholder committee/s.** This could be a government-led committee or a national task force formed to serve as an NIC, involving a steering committee, a secretariat with an experienced and well-connected lead and a set of working groups that involve the private sector and engage in range of activities.
2. **Develop a clear mandate and results framework.** The committee's (legal) mandate should be clearly defined, outlining its goals, objectives and responsibilities. It is important to have legal backing, budget and performance indicators based on a clear results framework. Equally important is to develop a mandate that fits AfCFTA responsibilities into the wider trade and development scene.
3. **Provide adequate resources.** The committee will need adequate resources, including funding, staffing and technical support, to carry out its work effectively, with a focus on co-ordination on activities and where appropriate implementation.
4. **Engage in consultation and outreach.** The committee should engage in regular consultation with stakeholders and carry out outreach activities to build awareness of the AfCFTA and the committee's work.
5. **Monitor and evaluate.** The committee should establish a robust monitoring and evaluation framework to track progress and identify challenges in the implementation process.

We identify various provisions in the legal AfCFTA texts that ascribe a role for the AfCFTA Secretariat in monitoring and assisting AfCFTA implementation. There are three types of roles that the AfCFTA Secretariat can play in the implementation process:

1. **Institutional support.** State Parties are required to set up AfCFTA NICs 'to ensure meaningful participation of all stakeholders and come up with national AfCFTA and Boosting Intra-African Trade Strategies'. The setup and operation of NICs could be supported by exchange of experiences and deeper technical assistance.
2. **Monitoring and evaluation.** The AfCFTA Agreement lists the functions to be carried out on monitoring framework as 'implementation, administration, facilitation, monitoring and evaluation of the AfCFTA'. Further ingredients for monitoring and review also exist at the level of specific protocols.
3. **Capacity building and technical assistance around trade topics.** The Protocol on Trade in Services states that the Secretariat shall coordinate and provide technical assistance and capacity-building. In investment for instance, the Secretariat shall work with the Pan-African Trade and Investment Agency to coordinate the provision of technical assistance.

We scope out three roles, with associated roadmaps, for the AfCFTA Secretariat in facilitating and monitoring implementation:

- sharing best practices around NICs from different State Parties;
- undertaking monitoring on AfCFTA trade policies including the AfCFTA policy review and;
- assisting with trade policy implementation in-country through capacity building and technical assistance.

While the first role is centred around the formation of NICs, NICs themselves could also become counterparts in the monitoring and technical assistance roles.

Finally, we discuss accessing Aid for Trade financing to make such activities happen, noting that committees should not be dependent solely on aid, but predominantly on national finance. A range of bilateral and multilateral donors and other strategic partners would like to support the AfCFTA, through the Secretariat and/or at country level. These efforts can be leveraged for financial resources and other support. It should be emphasised that the AfCFTA is not only a free trade agreement but also a development strategy.

1 Introduction

As the African Continental Free Trade Area (AfCFTA) moves from mainly negotiations to implementation, it is important to consider options for its implementation through National Implementation Committees (NICs) and potential ways in which the AfCFTA Secretariat could support the process.

State Parties are required to establish NICs. For example, the July 2018 Summit in Nouakchott, Assembly/AU/3/(XXXI), committed to the establishment of national committees ‘to ensure meaningful participation of all stakeholders and come up with national AfCFTA and Boosting Intra-African Trade Strategies’.

A number of provisions in AfCFTA legal texts provide for the organisation of implementation at country level and define a role for the Secretariat in supporting and monitoring AfCFTA implementation. However, these issues are often not explicit. Annex A provides examples of legal provisions that offer a basis for thinking about implementation and possible roles for the Secretariat.

The AU’s Agenda 2063 aims to transform African economies, and the AfCFTA as a free trade agreement (FTA) is only one aspect of this. The AfCFTA is complemented by a range

of other instruments to address adjustment, industrialisation, financial payment systems, etc. NICs may also consider these aspects of the AfCFTA that go beyond narrowly defined trade policies.

Several countries have started NICs, including Côte d’Ivoire, Ghana, Kenya, Nigeria and Rwanda. We consider these experiences. The African Union (AU) Theme of the Year 2023 is ‘Acceleration of AfCFTA Implementation’, and as such we would like to consider the role of NICs in fostering and accelerating such implementation. Of course, we realise that the history of effective trade policy-making in Africa is mixed, so we should also learn lessons from these and other experiences. Many countries have begun to ask questions on how to start NICs, what they should look like and, most importantly, what they should do (see Box 1).

This paper reviews AfCFTA NICs in the context of African trade policy-making generally. Section 2 considers general lessons from trade policy-making and trade policy support in Africa. Section 3 reviews experiences of NICs so far, discussing institutional forms and functions of effective NICs. It also introduces a five-step template for the formation and operation of NICs, appropriate for each country setting. Section 4 proposes a number of options going forward for the AfCFTA Secretariat to support NICs. Section 5 concludes.

Box 1 Questions from State Parties on National Implementation Committees

Negotiations on and implementation of the AfCFTA involve a large number of high-level and senior official meetings on a range of topics. Fully aware of the need to start NICs, many State Parties have expressed their desire for more information. In particular, during the AfCFTA Institutional Meetings held in Gaborone, Botswana, from 6 to 12 February 2023, close discussions with delegates about NICs highlighted State Parties' questions around (i) desirable structures of NICs and (ii) possible support the AfCFTA Secretariat can provide.

Possible structures for NICs

Can a template on an institutional structure for an NIC be provided to guide us on how best we can establish ours?

Can an existing committee be tasked to monitor implementation of the AfCFTA instead of establishing a new one?

Can the Secretariat advise on the chairpersonship of the NIC? For example, the prime minister being the chair may affect the operationalisation of the committee because of an excess of political engagements. Is it possible to follow the approach of National Trade Facilitation Committees (NTFCs), for which the United Nations Conference on Trade and Development (UNCTAD) advises that a technician chair (e.g. minister or director-general of trade)?

Can the Secretariat advise on the best possible communication channels or strategies for NICs to use to update the private sector on AfCFTA developments?

Possible support from the AfCFTA Secretariat for NICs

Has the Secretariat planned to provide capacity-building to NIC staff as soon as countries launch their activities? As the NIC staff come from both the private and the public sectors, they may need to know what the AfCFTA expectations are related to their respective areas.

What kind of support can the Secretariat provide State Parties beyond technical support?

Can the Secretariat conduct a peer-to-peer leaning experience-sharing workshop with countries where NIC offices are operational (Côte d'Ivoire, Ghana, Nigeria)?

Can the Secretariat create a database that consolidates work on AfCFTA implementation? (This could be used as an indicator.)

This paper reflects NIC structures in Section 3 and AfCFTA support in Section 4.

Source: Reflections by Yafika Chitanda and Jose Luis Tavares Semedo.

2 Trade policy-making in Africa – what do we know works?

This section sets the scene by reviewing trade policy-making processes in general and around specific issues, and drawing out lessons. This is not a review of all trade policy activities of African countries, as this is a long and varied experience. For example, there is a long history of negotiation regarding regional economic communities (RECs) (see e.g. te Velde, 2006); regional blocs in the tripartite discussions between the Common Market for Eastern and Southern Africa (COMESA), the Southern African Development Community (SADC) and the East African Community (EAC);¹ participation in the World Trade Organization (WTO, 2021); and bilateral agreements with the EU, the US, China and the UK. Early experiences in, for example, the EAC (before 2000) were mixed but recent experiences have been more positive.² African countries have also taken issues to the WTO (e.g. West Africa cotton) and managed to safeguard their interests (e.g. Mauritius).

African countries have also taken part in sometimes lengthy discussions with the EU around Economic Partnership Agreements, which have aimed to turn preferential trade agreements into bilateral trade agreements, with mixed success and some challenges. Some African countries are still among the least liberalised, but there is large variation across the continent with regard to tariffs, non-tariff barriers (NTBs), services and other trade issues.

Instead of addressing all of this, this section highlights experiences drawn from a number of efforts to implement trade agreements or trade capacity support programmes, such as around NTFCs, the Enhanced Integrated Framework (EIF) and some other schemes. We comment throughout on relevance for starting and building NICs to implement the AfCFTA.

2.1 WTO trade facilitation committees

Under Article 22.3 of the WTO Trade Facilitation Agreement (TFA), Members have committed to establish an NTFC to facilitate both domestic coordination and implementation of the Agreement. At present, 34 countries in Africa (WTO Members) have established NTFCs. Annex B highlights the structure, goals, achievements and challenges facing some of these NTFCs established by countries and RECs. Their operation provides a number of best practices, issues and, therefore, lessons for implementing the AfCFTA.

Legal foundation and political support: Many NTFCs have a legal foundation that can be used to expand operations to cover AfCFTA trade facilitation and more. Most committees are built on a strong foundation that involves public and private stakeholders. In the best case, the ministry of trade and industry chairs the committee, with members from other auxiliary ministries – finance, transport, revenue authority, IT, agriculture, etc. – as well as

1 A thorough and systematic review of implementation by RECs has not been included in this paper but would also be helpful. This will be the subject of analyses into the future.

2 A further detailed study on the role and functioning of RECs in implementing and monitoring trade policy-making will also be important in future liberalisation.

CEOs of large private firms that will be directly affected by trade measures. This is a good starting point for internalisation of the AfCFTA protocols.

If political will exists, it can be leveraged to garner support for similar committees for implementation of the AfCFTA. However, caution must be exercised to avoid duplication of effort in implementation of the WTO TFA and the AfCFTA protocols. For example, the NTFC for the AfCFTA could be part of the existing NTFC for the TFA, with a broader base and a larger scope of activities. In fact, the Economic Community of West African States (ECOWAS) has named Trade Facilitation West Africa as a central programme to address all facilitation needs. Other RECs could follow this example.

Financial and technical assistance: Shortage of funds and technical expertise have been cited as a major deterrent to the proper functioning of committees (Annex B). This issue is exacerbated by lack of commitment from the national government on the objectives set by the NTFCs. This was reported particularly by the NTFC of Togo. Therefore, financial aid and resources could be made available to develop a workplan, objectives and communication strategy for the committee.

Coordination and monitoring: Some African NTFCs have reported overlapping jurisdictions and functions of members owing to an unclear division of responsibilities. As a result, members are unable to follow own their responsibility in the implementation of an agreement. Therefore, it would be beneficial for committees to clearly define the role of different members and associated organisations. This will foster cooperation and mutual trust among members on common goals. Moreover, national governments and the private sector could enable access to skilled and knowledgeable personnel to coordinate the different objectives and tasks of the committee.

Lack of coordination across members of NTFCs, sub-committees, working groups and technical groups is a major issue. Focus on continuous involvement of the private sector and other stakeholders to ensure concerns and needs are addressed could be a great input.

Inclusivity: Countries have conducted surveys to understand the role played by **women** in NTFCs. Results point towards the need for future trade-related committees to conduct gender sensitisation workshops and training sessions to improve their gender capacities. Since the AfCFTA aims to support women's empowerment, national committees could internalise this requirement by including gender in all trade-related procedures and policies. Another set of marginalised trade players are **small traders**. Surveys and monitoring exercises conducted by existing NTFCs indicate a lack of finance and technical assistance as main factors causing delays at border, especially for small traders. Trade facilitation under the AfCFTA should aim to tackle these issues to improve inclusivity for small traders in Africa.

Customs procedures: Despite efforts by committees to implement the provisions of the WTO TFA, traders, transporters and customs officers in the ECOWAS region have reported cumbersome and lengthy procedures that increase costs and time. NICs for the AfCFTA provisions on trade in goods should aim to simplify the complex border clearance procedures. This can be tackled through interventions by the REC secretariats as well to ensure smoother regional and continental trade.

2.2 Enhanced Integrated Framework

Successful experiences of countries receiving support in Africa (in Annex C) suggest a number of factors for success for effective trade policy-making and how it could be supported. The EIF has supported institution-building projects as well

as economic development projects. Factors for success include:

- a strong government vision for implementation and coordination;
- appropriate skills mix in the secretariat or implementing unit, which includes government staff, experts on project management and trade development, and specialist skills when the number and value of projects increase;
- use of a common steering committee or oversight mechanism enabling senior officials and ministers to avoid duplicate oversight committees; and,
- leadership by the minister of trade for convening purposes.

The implications for AfCFTA trade policy-making and possible support in coordination with the AfCFTA Secretariat include the following:

- **Leadership, vision and involvement of ministers** are important for any trade topic.
- Implementation of the AfCFTA commitments involves multiple activities and projects, hence **appropriate institutional capacities** are required to coordinate these.
- Coordination and **avoidance of complicated or duplicated structures** are also important (and hence a focus on co-ordination, but implementation where appropriate).

2.3 Other general economic transformation experiences

Implementing the AfCFTA goes beyond an FTA and is about how trade can support and economic development more generally (as discussed in the introduction). It is therefore also important to consider how countries transform their economies in general.

Ansu et al. (2016) examine successful economic

transformation experiences worldwide and distinguish four requirements that appear universally relevant to institutional settings for effective economic transformation policy:

1. **constructing a consensus** among key actors that establishes economic transformation as a nation-building project, with shared commitments extending well beyond a single electoral term;
2. giving at least **one public agency sufficient autonomy**, budgetary control and political authorisation to override interdepartmental coordination problems and engage in a practical way with credible private sector organisations;
3. creating **institutional arrangements that can coordinate a sufficient set of powerful public and private actors** so as to ensure both an appropriate level of technically justified public support to promising sectors or firms and also that this support is conditioned on mutually enforceable performance standards; and,
4. enabling discovery of approaches that work for transformation in the particular country context by means of **explicit experimentation, good feedback and timely correction**.

These are institutional functions that need to be addressed by any institutional form; the specific form is less important. It also suggests that implementing the AfCFTA as a development strategy is a long-term undertaking.

2.4 Conclusions

Experience in recent decades in supporting trade policy development suggests the importance of legal foundation; political support, leadership, vision and involvement of ministers; appropriate institutional capacities; coordination and avoidance of complicated or duplicated structures; expected economic impacts; and inclusivity. These require long-term attention.

3 Reviewing the institutional landscape of AfCFTA implementation

This section reviews the institutional landscape of AfCFTA implementation by discussing country experiences (Section 3.1) and synthesising these (Section 3.2). Responding to requests from AU Member States, Section 3.3 provides a template for the formation and implementation of NICs (around forms and functions) that can provide inspiration for those countries still needing to start one and those willing to adjust theirs.

3.1 Review of experiences

This section reviews the experiences of NICs in Côte d'Ivoire, Ghana, Kenya, Nigeria and Rwanda. A recent AfCFTA consultative workshop suggested that AfCFTA NICs were in different stages of formation and evolution (see Box 2). The experiences presented in this section are based on official information available until January 2023 but we are aware that further steps have been taken, for example in the case of Nigeria, whose NIC wants to move from an action committee to a coordination committee.

Box 2 An update on NIC experiences

Recent discussions at an AfCFTA consultative workshop revealed the following progress in selected countries:

The Kenya NIC has started in law (in August 2022) but the committee has not yet met up officially, although several activities, such as those under the Guided Trade Initiative (GTI), have been undertaken and working group meetings have been held. Kenya is now in the process of finding the names to fill the positions mentioned in the legal texts.

In Tunisia, the trade minister signed a law for the establishment of an NIC at the end of March 2023 (including which position should be filled in what committee: strategic, technical, operational). The country is now in the process of selecting names to fill positions.

Similarly, Democratic Republic of Congo (DRC) has signed a law and needs to fill positions with experts.

South Africa has not yet required a new NIC as it has the main negotiations and implementation functions covered. However, it sees a need for NICs in other African countries, including for matchmaking purposes. It is also still considering if it needs a formal NIC, for example around peer review mechanisms.

Source: AfCFTA consultative meeting on the AfCFTA trade policy review mechanism for State Parties on 27–30 March in Arusha, United Republic of Tanzania

Côte d'Ivoire's AfCFTA National Committee³

Côte d'Ivoire has undertaken early measures establishing the AfCFTA National Committee (NC),⁴ helping implement provisions of the AfCFTA and seize business opportunities. The NC is responsible for the promotion, coordination and monitoring of implementation at the national level of the AfCFTA Agreement following Decree No. 2018-514 of 30 May 2018. Placed under the direct control of the prime minister, it serves as the interface between Côte d'Ivoire and the AfCFTA Secretariat.

Responsibilities of the NC include:

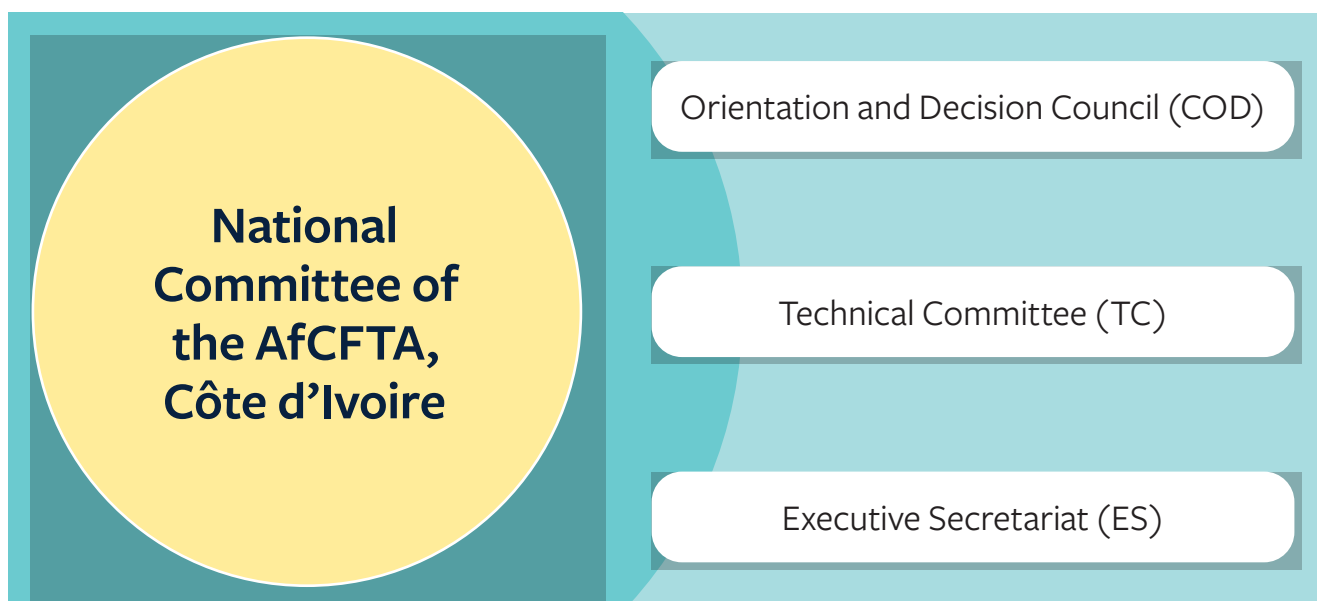
- contributing to the development of national strategies;
- addressing issues related to negotiations and effective implementation of the AfCFTA at national level;

- strengthening national expertise on and participation in the AfCFTA; and,
- making recommendations to the government on matters relating to the implementation of the Agreement.

The NC consists of three institutions: the Orientation and Decision Council (COD), the Technical Committee (TC) and the Executive Secretariat (ES) (Figure 1).

The **COD** includes the head of government, the minister of state and of foreign affairs, African integration and diaspora; the vice-president; relevant other ministers; and representatives of private sector organisations. It deliberates and decides on decisions submitted by the TC. Chaired by the prime minister, it meets at the request of the prime minister, at least once every six months.

Figure 1 Structure of Côte d'Ivoire's NIC



³ Based on publicly available material on the website and presentations to AfCFTA events.

⁴ <http://www.cnzlecaf.gouv.ci>

The **TC** is chaired by the minister of trade and includes a representative of the prime minister; the minister of foreign affairs, African integration and diaspora; the vice-president; and representatives of appropriate ministries and private sector associations as well as sectoral public bodies and ports. It meets at least monthly and is organised around technical working groups (TWGs). This technical coordinating body supports Ivorian experts and negotiators of the AfCFTA by leading reflections on issues related to the implementation of the Agreement.

The TC:

- reflects on issues related to implementation of the Agreement;
- suggests actions to promote the AfCFTA;
- proposes to the COD measures essential to implementation of the AfCFTA; and,
- strengthens national expertise on the AfCFTA.

The **ES** is headed by an executive secretary appointed by decree taken in the Council of Ministers, on the proposal of the minister in charge of trade. The secretary has the rank of director of central administration.

The ES is composed of officials and experts. The other members are proposed by the technical ministries and members of the NC at the request of the executive secretary.

This technical, administrative and financial management body:

- produces a periodic report on the activities of the NC;
- develops and implements the annual action plan of the NC;
- executes the decisions of the TC;

- prepares technical files for COD and TC meetings;
- coordinates the activities of the TWGs;
- disseminates decisions taken by government in the context of the AfCFTA; and,
- coordinates the implementation of activities related to the Agreement.

The direct involvement of the country's high political authorities in the NC is a key indicator of the political momentum behind the initiative. The bodies involved in the work of the NC include various ministries directly or indirectly linked to trade or integration and their technical bodies, as well as various organisations of private sector or umbrella actors. The wide participation supports inclusiveness and collective ownership of the agreement and its implementation.

The NC has a range of objectives:

- improving ownership of the content of the Agreement by all stakeholders;
- rationalisation of the institutional and regulatory mechanism for promoting trade and effective application of the provisions of the Agreement;
- improvement of the competitiveness of sectors;
- development and implementation of sector strategies;
- upgrading of producers (especially small and medium enterprises, SMEs); and,
- promotion of women's participation in cross-border trade.

The NC is executing a communication and visibility strategy that aims to contribute to informing and raising awareness of all actors in the economy and society, in an approach that is both participatory and inclusive, with the ultimate objective of ensuring their ownership of the Agreement.

The implementation of NC activities is supported by (i) a budgetary contribution of the state for the financing of (short-term) AfCFTA activities; and, (ii) development partners (e.g. the United Nations Economic Commission for Africa, UNECA, for the implementation strategy).

The NC has undertaken a large range of activities, including around national ownership and awareness-raising of the AfCFTA Agreement, implementation of the communication strategy and promotion of youth and women’s participation in trade. This has included hosting and taking part in discussions and events, including with the AfCFTA secretary-general, and encouraging youth and women to take part.

The NC has also undertaken activities related to preparation and participation in negotiations and capacity-building activities and coordinating the delivery of capacity-building events by various

donors on key trade topics. The large range of activities shows how Côte d’Ivoire’s interest in the AfCFTA continues to grow.

Ghana’s National AfCFTA Coordination Office⁵

Given that Ghana is hosting the AfCFTA Secretariat, it has a keen interest in being a frontrunner and pioneering new ways to implement the AfCFTA. The National AfCFTA Coordination Office (NCO) was established in March 2020 under the Ministry of Trade and Industry as a central point for coordinating the strategic and operational responses of the government of Ghana in relation to the AfCFTA. The NIC also provides an interface between the AfCFTA Secretariat and the Ministry of Trade and Industry and other stakeholders in Ghana.

The NCO consists of the Inter-Ministerial Facilitation Committee (IMFC), a National Steering Committee and TWGs (Figure 2).

Figure 2 Structure of Ghana’s NIC



5 Based on publicly available material on the website, presentations to AfCFTA events and in-depth discussions with Fareed Kwesi Arthur.

The IMFC was constituted by the government to provide high-level strategic direction and coordinate support for implementation of the AfCFTA in Ghana. It comprises the ministers of trade and industry, foreign affairs and regional integration, finance and a range of other departments, including justice, information and national security, and a representative of the President's Office. It meets twice a year and monitors implementation of the National Action Plan. It ensures that participation in the AfCFTA is in line with the government's development strategy and policy objectives. It also ensures government commitments around the AfCFTA are executed. The IMFC reports to the president through the minister of trade and industry.

The Ministry of Trade and Industry has oversight of all aspects of the AfCFTA, including effective coordination of key national institutions involved in various aspects of implementation of the AfCFTA, including the NCO, the Ghana Export Promotion Agency, Customs, the Integrated Customs Management System and others.

The National AfCFTA/Boosting Inter-African Trade (BIAT) Steering Committee (NASC) provides guidance on implementation of the AfCFTA and ensures compliance with applicable legislation and regulations. It reports and makes policy recommendations to the IMFC.

There are seven TWGs in line with the seven (BIAT) clusters of the national policy framework, around Trade Policy; Trade Facilitation; Enhancing Productive Capacity; Trade-Related Infrastructure; Trade and Development Finance; Trade Information; and Factor Market Integration. Under each of these clusters, the BIAT Action Plan provides, in broad terms, an indicative list

of programmes and activities that need to be implemented in the short to long terms at the national, regional and continental levels.

The NCO has a range of functions:

- supports Ghanaian businesses to enhance the benefits of the AfCFTA;
- coordinates the smooth collaboration of national institutions and TWGs involved in implementation of the AfCFTA;
- facilitates the development of national strategies and implementation plans to ensure enhanced benefits of the AfCFTA;
- serves as a resource centre for information to Ghanaian stakeholders and provides support and market access information to Ghanaian enterprises;
- monitors and evaluates the National AfCFTA Action Plan; and,
- facilitates government support for the functioning of the AfCFTA Secretariat.

The office is headed by a national coordinator, who is supported by a legal senior advisor, a head of strategic communications, an enterprise support specialist and a senior advisor on stakeholder engagement and capacity-building. Programme officers for the thematic clusters, an IT officer and an administrator make up the rest of the team.

AfCFTA implementation requires financing, which should occur through mainstreaming as well as leveraging partner agencies. Many AfCFTA activities are mainstreamed into activities being undertaken by various ministries, departments and agencies (MDAs), such as on trade-related infrastructure, trade facilitation, transport and logistics, and enhancing productive capacity. This

includes projects around ports, railway networks, cargo handling, transit corridors and provision of energy for industrialisation.

The MDAs are expected to integrate projects into their annual budgets. This way, financing of the activities outlined in the National Action Plan will be integrated into the national budgets of agencies, at an estimated cost of \$1.8 billion annually over five years. The NCO may help leverage finance from various industries and development partners.

The NCO has designed an extensive communications strategy and monitoring and evaluation strategy. Under the latter, specific activities include:

- development of a comprehensive monitoring and evaluation framework;
- formulation and preparation of the national monitoring indicators for boosting Ghana's trade with Africa;
- conducting a baseline study for the National AfCFTA Action Plan;
- setting up a stakeholder consultation platform
- preparation of periodic national AfCFTA monitoring and evaluation reports; and,
- publishing annual status of implementation reports.

The NCO has already had a range of major achievements. It has undertaken an extensive enterprise audit, with the assistance of ODI, helped prepare firms to benefit from the AfCFTA, certified a number of companies under the GTI and undertaken a range of other activities,

including drafting the National AfCFTA Policy Framework and an action plan for boosting Ghana's trade with Africa.

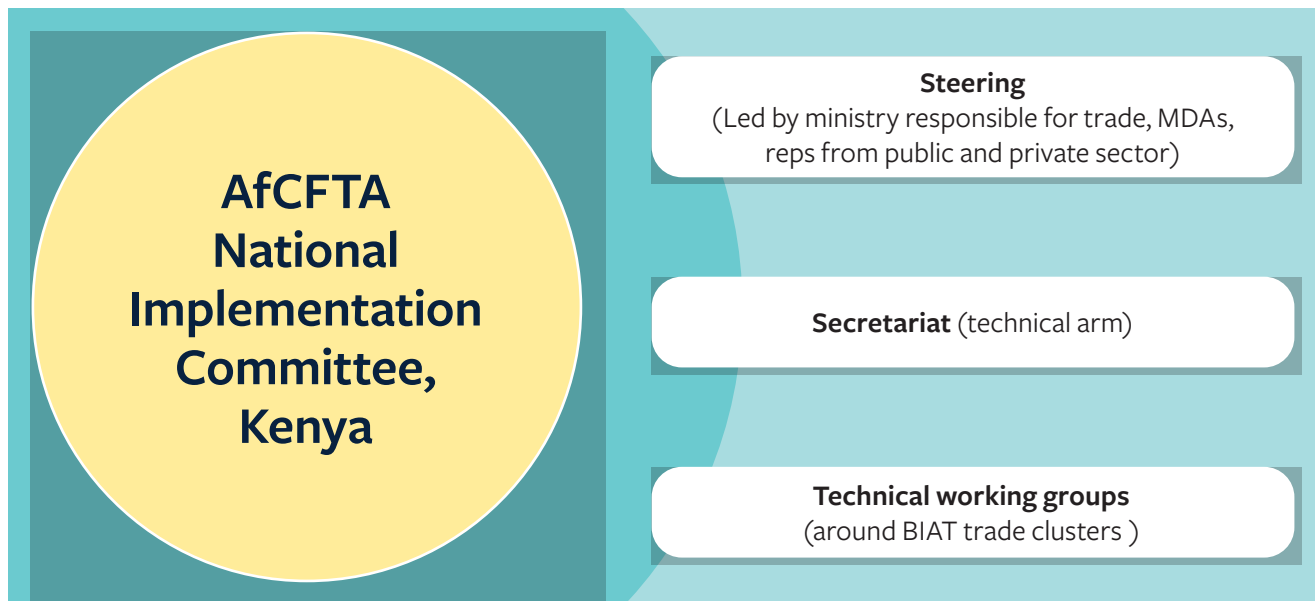
Kenya's AfCFTA National Implementation Committee⁶

The Kenyan AfCFTA NIC was set up to ensure effective and coordinated implementation of the National AfCFTA Strategy launched in August 2022. The AfCFTA NIC is responsible for overall coordination of the implementation of the AfCFTA strategy, including:

- implementing the AfCFTA Agreement and Kenya's national AfCFTA implementation strategy;
- mainstreaming gender and youth in strategy implementation;
- managing communications and implementing the communication plan;
- mobilising sufficient financing for the strategy implementation;
- managing risks associated with strategy implementation;
- developing annual work plans, budget and periodic progress reports; and,
- monitoring and evaluating the national AfCFTA strategy implementation.

The NIC is housed within the ministry responsible for trade. Members are drawn from MDAs, representatives of governors and private sector associations, relevant academic and research institutions and non-governmental organisations (NGOs). The individuals still need to be selected.

⁶ Based on publicly available material on the website, presentations to AfCFTA events and in-depth discussions with George Dinda.

Figure 3 Structure of Kenya's NIC

The technical arm of the NIC is the Secretariat, which has TWGs to oversee implementation of the AfCFTA Agreement and Kenya's National AfCFTA Strategy. TWGs are encouraged to use the cluster arrangement proposed under the BIAT plan around policy; trade facilitation; enhancing productive capacity; trade-related infrastructure; trade information; trade and development finance; and factor market integration.

The NIC is also taking lessons from trade facilitation committees, including:

- gazettment of the committee and its TWGs;
- establishment of a permanent secretariat headed by the national focal point of the AfCFTA;
- implementation of the National AfCFTA Strategy;
- resource mobilisation for effective implementation of the Strategy;

- inclusivity at both the development and the implementation stages of the Strategy: AfCFTA governance is a cross-divisional and cross-sectoral endeavour; and,
- periodic training on gender mainstreaming and gender-sensitive implementation and trade policy.

The NIC aims to manage the National AfCFTA Communication, with objectives around awareness creation on the AfCFTA among all stakeholders, targeting different audiences, identifying AfCFTA champions (e.g. frontrunner companies or supportive organisations), organising and implementing a mass media campaign and developing relevant content. The target groups include national and county-levels government, the private sector and its associations, civil society and external parties. The importance of monitoring and evaluation is acknowledged.

Nigeria’s National Action Committee on the AfCFTA⁷

The National Action Committee (NAC) on the AfCFTA has already been on a five-year journey. Nigeria adopted the AfCFTA Agreement in 2018 and signed it in July 2019, which led to the start of the NAC in December 2019 through encouragement from the president and vice-president’s teams. A range of activities followed. Nigeria ratified the AfCFTA Agreement in December 2020. The development of the NAC and its achievements took place at a time when Nigeria moved from lagging behind on AfCFTA signing and ratification to being one of the frontrunners around ratification and activities of its NIC.

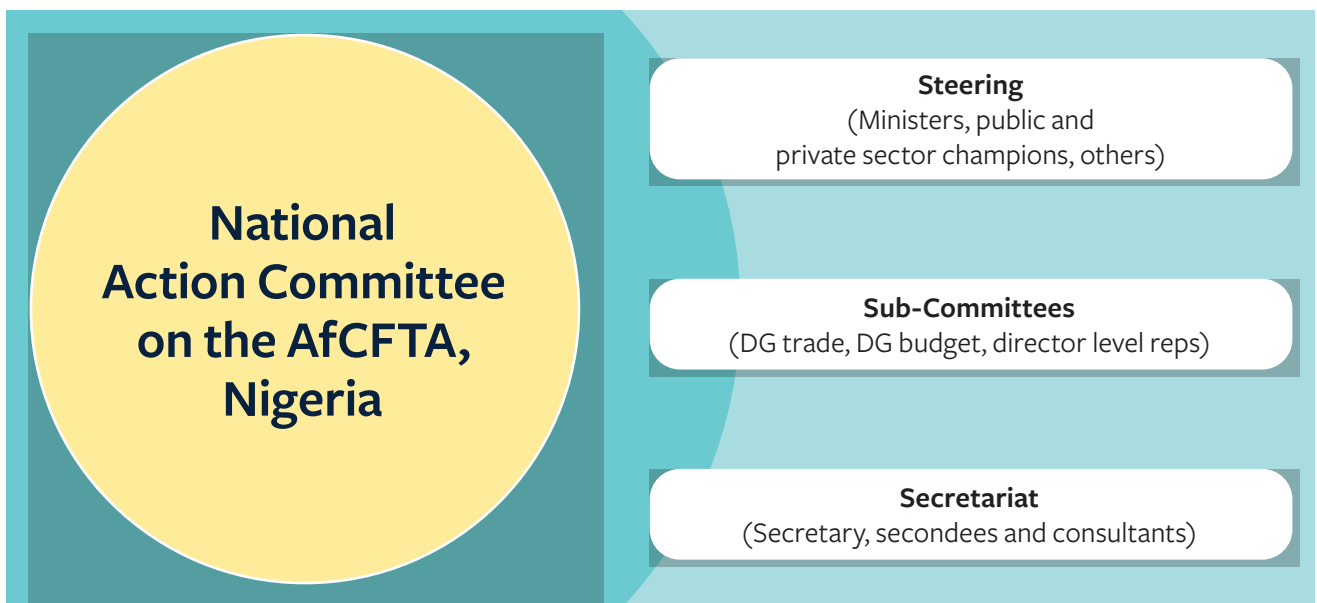
The mandate of the NAC is to coordinate the activities of government ministries and departments, the private sector and other

stakeholders to successfully execute the AfCFTA readiness interventions identified in the Impact and Readiness Assessment Report, and any other trade policy measures or interventions that may be required to prepare Nigeria to take full advantage of AfCFTA opportunities and address potential negative impacts. The focus on coordination means other ministries and bodies do not feel threatened.

The NAC consists of three bodies: the Steering Committee, sub-committees and the Secretariat.

The Steering Committee includes ministers for trade and budget and senior or director-level representatives of public and private bodies. The sub-committees include directors of public agencies, such as trade negotiations. The Secretariat is a small body headed by a secretary, with secondees from public bodies and temporary staff and consultants.

Figure 4 Structure of Nigeria’s NIC



⁷ Based on publicly available material on the website, presentations to AfCFTA events and in-depth discussions with Francis Anotogu. This reflects experiences up until February 2023. Since then, the NAC has been considering aspects related to becoming a national coordinating office.

To achieve Nigeria's AfCFTA objectives, the NAC has anchored its strategy along eight BIAT pillars (see Anatogu, 2022 for details):

- establishing the institutional framework to coordinate multiple agencies in the public and private sectors involved in implementing the provisions of the AfCFTA Agreement (for example, the Nigeria Customs Service is the designated Competent Authority for the administration of rules of origin);
- growing 'production for export' capacity to \$50 billion per year, selecting products and areas (10 states have set up their TWG on the AfCFTA);
- trade facilitation: reducing the time and cost of trade by simplifying, modernising and harmonising import and export processes and procedures; this also focuses on automation of administrative and regulatory compliance processes;
- domesticating the AfCFTA Agreement by updating trade and complementary policy regulations and laws to align with the provisions of the AfCFTA Agreement; the National AfCFTA Strategy shows it is important to update and align national industrial policy with trade and investment policies;
- trade infrastructure, including energy, digital, water and logistics infrastructure, to enable intra-Africa trade; considering the large deficit in infrastructure, innovative mechanisms are required to use the AfCFTA, including trade corridors;
- trade finance, which involves configuring and strengthening financial service institutions and businesses for continental trade, including financing export trade and providing banking, insurance and related services;
- bridging the gaps in trade information, which involves providing product and market information to the trading community, such as by signing up to the African Trade Observatory project; and,

- facilitating mobility of Nigerian labour across Africa.

Considerable progress reported on these points in 2022 suggests the AfCFTA journey has commenced in earnest, and intensive preparations are underway across the agencies of government.

The NAC has been one of the most active NICs in Africa since its inception and has undertaken a range of activities around the setup of the implementation framework, stakeholder involvement, strategy development, preferential trade process implementation, policy and regulations audit, trade and capacity-building, export facilitation, trade information and subnational engagement. The achievements include meetings, training, sensitisation workshops, awareness creation, implementation strategies and others. Some of the challenges encountered relate to the time required for trade-related bodies to interface, frustrations owing to lack of information to trade, delays in strategy adoption, capacity constraints and subnational challenges.

The NAC evolved from a presidential committee that examined whether Nigeria should sign the AfCFTA. A range of studies were influential in explaining the benefits and how challenges could be addressed. After the AfCFTA was signed in 2019, there were still dissenting voices in Nigeria. Establishment of the NAC was required to run through the arguments around the Agreement. The NAC became operational in December 2019. It secured ratification of the AfCFTA in December 2020. In the next stage, implementation needs to go down to the state level, including through TWGs in Nigerian states. The NAC is now also working on implementation of the Agreement itself, such as around implementing rules of origin and developing a monitoring and evaluation system needed to measure progress. For the future, it is important

to agree on a legal framework, attract funding and secure an inclusive governance framework that includes the private sector and critical agencies.

The experience of the NAC suggests other African State Parties will benefit from establishing an NIC, because it moves the Agreement from a piece of paper to initiatives and projects and policies that need to happen for the country to start seeing the benefits of the AfCFTA. Sensitisation is key, as few people understand the Agreement. The NIC structure needs to be aligned with the existing government bureaucracy. To avoid delays down the line, it needs legal backing with the right financing and the right arrangements to enable it to attract private sector and donor funding, because AfCFTA implementation is a very long-term project.

Furthermore, experience in Nigeria also suggests an effective NIC has to (i) be insulated from the frequent changes in the political and bureaucratic landscapes and actors; (ii) integrate the private sector in its governance and executive roles to ensure their ownership and drive of the AfCFTA implementation; (iii) be a self-accounting institution to ring-fence its funding from government while enabling it to attract other funding; (iv) be adequately integrated into the executive decision structures in the Office of the President to accord it the necessary authority to convene stakeholders, monitor and evaluate progress on implementation, facilitate the resolution of challenges, and be backed by the force of law or executive order.

Rwanda's national AfCFTA committee⁸

The June 2022 Rwanda National AfCFTA Implementation Strategy proposed the establishment of a national AfCFTA committee to oversee its overall coordination and

implementation. This defines the scope, mandate and functions around coordinating and monitoring implementation of the Agreement in Rwanda. It has been involved in overall negotiations and implementation of the AfCFTA strategy in Rwanda.

Rwanda already had an NTFC with various thematic groups composed of experts from various institutions, who include trade negotiators, analysts and sub-committees following up on various issues, such as market access, cross-border trade and trade in services, among others. In contrast with new structures being created in some of the other countries discussed previously, the strategy in Rwanda proposed adding AfCFTA national implementation and related activities to the mandate of the NTFC. The NTFC will coordinate AfCFTA implementation through the following tasks:

- domestication of its provisions, including designating various focal points as required by the Agreement (focal points for NTBs, rules of origins, trade in services, etc.);
- ensuring effective and efficient implementation of the AfCFTA Agreement;
- coordinating, monitoring and evaluating implementation of the National AfCFTA Implementation Strategy;
- monitoring and supporting on a daily basis the work of the implementation committee;
- leading sensitisation and awareness campaigns;
- mobilising internal and external financial resources;
- reporting regularly to the Ministry of Trade and Industry (MINICOM), through the Department of Trade and Investment; and,
- reporting on a quarterly basis to the Industrial Development and Export Council on implementation of the AfCFTA strategy.

⁸ Based on publicly available material on the website, presentations to AfCFTA events and the NIC.

The institutional structure involves the NTFC with representatives from MINICOM, supported by a Secretariat chaired by the permanent secretary at MINICOM, responsible for technical coordination. This reports to the high-level Industrial Development and Export Council chaired by the minister of MINICOM and comprising key ministers and private sector representatives, which will provide oversight, coordination and guidance on the implementation of the national policies and strategies related to industrial growth. There are also a number of thematic working groups. Figure 5 provides the schematic overview.

3.2 Synthesis of AfCFTA implementation experiences

Table 1 reviews the experiences of AfCFTA NICs. A number of findings emerge:

- There are different levels of priority attached to NICs, with Côte d’Ivoire, Ghana and Nigeria frontrunners for different reasons. Ghana is hosting the AfCFTA Secretariat and showcases

implementation whereas Nigeria used an NIC and other consultation mechanisms to support signing and ratification of AfCFTA.

- NICs are usually housed and led by ministries of trade, but often involve a high-level steering committee or council with ministers from other ministries.
- NICs usually include a high-level steering committee, a secretariat reporting to the hierarchy in the Ministry of Trade and a set of working groups modelled on BIAT. There can be larger and separate secretariats or they can be embedded in existing structures such as NTFCs.
- Legal backing varies but is considered important for continuity and financial backing from national budgets and development partners.
- The private sector is usually included in the high-level governance structure. NICs also work to varying degrees with the private sector, including certification of companies to signal readiness to trade under AfCFTA rules.
- There is a useful interaction between NIC capacity and NIC activities that make trade happen, such as the GTI.

Figure 5 Structure of Rwanda’s NIC



Table 1 Reviewing AfCFTA implementation structures

| | Côte d'Ivoire NC | Ghana NCO | Kenya NIC | Nigeria NAC | Rwanda NIC |
|---|--|--|---|--|--|
| How and when did it emerge | May 2018, following Decree No. 2018-514 | March 2020 | August 2022 embedded in AfCFTA strategy | December 2019 | Proposed in June 2022 AfCFTA implementation strategy |
| What is the broad institutional structure (main coordinating body and sub-committees) | COD, TC and ES | IMFC, NASC and TWGs NCO has a number of dedicated staff | Steering Committee led by trade minister, Secretariat, TWGs | Steering Committee with ministers, Sub-Committee, Secretariat | Adding AfCFTA implementation to mandate of NTFC NTFC and Secretariat, reporting to Industrial Development and Export Council, thematic working groups |
| How are core and other activities of the NIC funded? | State budgetary contribution and development partners | Regular budget and development partners | Budget and development partners | Includes development partners | Budget and development partners |
| How does the NIC work with the private sector? | Included in governance structure | Works directly with private sector | Members include private sector | Private actors included in governance | High-level council of NTFC includes private sector |
| Selected notable achievements | Hosting and taking part in discussions and events, preparation, participation in negotiations and capacity-building activities | Enterprise audit and certifying companies for GTI | | Signing and ratifying AfCFTA, monitoring and evaluation system | |
| Key factors behind achievements | Early legal steps around AfCFTA | Important political push given location of AfCFTA Secretariat in Ghana | | Political push given turnaround in decision to sign up to and ratify the AfCFTA | |
| Website | https://www.cnzlecaf.gouv.ci/ | https://afcftaghana.org/ | | https://ngrafta.gov.ng/ (under construction) | |

Source: Analysis for this paper.

While we have focused mainly on the trade elements of the AfCFTA and AfCFTA NICs themselves, they do not operate in isolation of trade and development structures that already exist in country. For example, South Africa and Nigeria already have trade negotiations covered through various negotiation structures. Each country will need to navigate the existing trade and development scene so as to complement and not duplicate existing efforts.

It is also important to regard the AfCFTA project as more than a free trade project alone; it also contributes in other ways to support Africa's industrial transformation consistent with the AU's Agenda 2063. Implementing AfCFTA trade policy is important but the AfCFTA also comes with a range of complementary instruments such as an NTB reporting mechanism, the Pan-African Payment Settlement System, the AfCFTA Adjustment Fund facility, the AfCFTA Automotive Fund, the AU Trade Observatory, the Intra-Africa Trade Fair, the AfCFTA Private Sector Strategy and the AfCFTA Trade and Industrial Development Advisory Council. These and related initiatives could also be covered by AfCFTA NICs over time to enhance the AfCFTA's impact on development. Each country will need to place all of these other instruments in a country-specific implementation strategy for trade and development.

While some AfCFTA NICs do cover monitoring and evaluation functions, this is often focused on whether AfCFTA trade policies or other complementary policies are being implemented. This is important, but in addition there should be monitoring and evaluation of the NIC activities themselves and how they are contributing to implementation of the AfCFTA.

We distinguish between forms and functions of NICs. There will be many different institutional forms depending on country fit but a number of functions apply in all cases. We identify 10 crucial NIC functions that should be seen in the context of the AfCFTA and development:

1. support the formulation of country positions in trade negotiations (involving coordination across ministries and complementing existing trade negotiation structures);
2. facilitate implementation, and advise and lobby government around policy reform and domestication of the AfCFTA trade and complementary instruments (coordination across ministries) in line with existing structures to implement trade and development policy;
3. develop NIC plans and strategies;
4. report on activities and plans and monitor and evaluate the activities of the NIC itself;
5. monitor and evaluate policies and projects to support AfCFTA implementation and relevant AU-related objectives such as the trade and development aspirations in the AU's Agenda 2063;
6. coordinate and implement donor activities and capacity-building events in the area of the AfCFTA and development (covering trade and other instruments) in line with existing implementation structures;
7. raise awareness and collaborate with all stakeholders (communication);
8. enable meaningful collaboration with the private sector (certification, readiness assessments) to ensure economic benefits of the AfCFTA;
9. mainstream vulnerable groups, women and youth in AfCFTA implementation plans; and,
10. provide an interface between the AfCFTA Secretariat and countries.

These functions are essential to making AfCFTA a development success, and will need to be defined as part of a country's overall trade and development strategy. In this way, NICs should not duplicate existing negotiation and implementation structures, and should go beyond focusing only on trade policy issues. The details will become clearer only at country level.

In addition to functional issues, many countries have questions also about institutional forms. The guidance here is less clear, as each country will need to decide the form that suits it best. However, five salient institutional form features come out:

1. Three types of bodies are important: a high-level steering committee (chaired by the minister of trade, or a higher level, and reporting to the president or prime minister), a secretariat and TWGs. All these groups need legal backing.
2. The prime minister or president needs to oversee the high-level steering group but does not need to chair the actual group. The minister of trade could also take this role.
3. The secretariat needs a senior, active, experienced and well-connected coordinator or lead, who reports to the steering committee and the permanent secretary for trade. Other people could include a legal advisor, a strategic communications specialist, a stakeholder engagement specialist, an enterprise support specialist, IT and programme officers and administrators.
4. The private sector should be included at steering committee level and in the TWGs.
5. The NIC should engage in visible activities such as the GTI, developing a monitoring, evaluation and learning (MEL) framework and working with the AfCFTA secretary-general on visits and other communications.

Complementary work on implementation strategies is being undertaken by UNECA, discussed at greater length in Annex E. UNECA, with the support of the EC and Global Affairs Canada, has supported the drafting of a number of AfCFTA implementation strategies across the continent. By October 2021, some 16 countries were classified as 'AfCFTA implementation strategies validated and implementation ongoing or to start soon'. As of February 2023, some 27 countries and the Intergovernmental Authority on Development (IGAD) have validated implementation strategies (see Table 2).

Many of the countries that are part of the GTI were also frontrunners in having validated implementation strategies, including Cameroon and Kenya in the early batch and Mauritius, Tunisia and Rwanda by February 2023. Countries such as Ghana and Egypt are not on the list of UNECA-supported countries. Tanzania has delayed on AfCFTA implementation strategies and has yet to identify products under the GTI but has made a stark turnaround with a new president.

Our analysis of active NICs above examined Côte d'Ivoire, Ghana, Nigeria and Rwanda. These and Kenya have validated AfCFTA implementation strategies. This suggests that, if you are active and successful on one issue (e.g. having an active NIC), you may also be active in another (having an implementation strategy). This match is not 100%, however. For example, Zambia had a validated implementation strategy in early 2021 but is not part of the GTI or considered by some as having a best practice NIC. And not all countries desire a fully functioning NIC separate from trade policy (e.g. Botswana or Namibia).

Table 2 Status of UNECA -supported implementation strategies

| Validated strategies – 27 & IGAD | | Currently drafting strategies | Countries where strategy is at inception phase |
|---|---|--|---|
| <ul style="list-style-type: none"> ● <i>Burkina Faso</i> ● Burundi ● Cameroon ● Chad ● <i>Côte d'Ivoire</i> ● Comoros ● DRC ● Djibouti ● Gabon ● <i>Guinea</i> ● Kenya ● <i>Malawi</i> ● <i>Mauritania</i> ● Mauritius | <ul style="list-style-type: none"> ● Namibia ● <i>Niger</i> ● Nigeria ● Rwanda ● São Tomé & Príncipe ● <i>Senegal</i> ● <i>Sierra Leone</i> ● South Sudan ● <i>The Gambia</i> ● <i>Togo</i> ● Tunisia ● <i>Zambia</i> ● <i>Zimbabwe</i> ● REC: IGAD | <ul style="list-style-type: none"> ● Algeria ● Benin (<i>validate mid-Feb</i>) ● Botswana ● Central African Republic (<i>validate March</i>) ● Eswatini ● Mozambique (<i>validate March</i>) ● Somalia ● Guinea-Bissau ● Liberia ● RECs: EAC, ECOWAS | <ul style="list-style-type: none"> ● Equatorial Guinea ● Morocco ● Libya ● Cabo Verde ● Seychelles ● RECs: ECCAS, UMA |

Source: UNECA, February 2023. Bold is part of GTI, italics is advanced status in October 2021.

There is also a strong link between countries that are important players and more engaged in trade negotiations and the presence of an effective NIC. The data presented in Annex F suggest that countries that are more important in size and are readier to participate in the AfCFTA include South Africa, Egypt and Morocco, followed by Kenya, Ghana, Nigeria and Côte d'Ivoire, which are also the countries that have established NICs.

NICs supported the implementation of the GTI (Annex D). Launched in Ghana on 7 October 2022, this is a recent initiative of the AfCFTA Secretariat to encourage commercially meaningful trade under AfCFTA provisions. The GTI gave companies from eight countries – Cameroon, Egypt, Ghana, Kenya, Mauritius, Rwanda, Tanzania and Tunisia – the opportunity to trade (at least 96) products, which include ceramic tiles, tea, coffee, dried fruits and batteries (Rao, 2022).

One lesson from countries trading under the GTI thus far is the crucial role of NICs in designing and implementing institutional and policy frameworks

– e.g. the National AfCFTA Framework and Action Policy in the case of Ghana – to provide the foundation for the private sector to trade under the AfCFTA. Linked to the critical role of the NICs in providing the institutional framework to support trading under the GTI is the design and implementation of a national framework or policy specifically on export development. Ghana's National Export Development Strategy (NEDS), developed with the support of its NCO, is a notable example. Moreover, NICs have also supported companies in acquiring certificates of origin to trade under the AfCFTA regime (including through the GTI).

In general, specific examples of supportive actions by NICs in the success of the GTI thus far include the following:

- The government of Ghana, with the support of its NCO, has assisted 30 companies in acquiring certificates of origin to be able to participate in the GTI and, subsequently, the AfCFTA (Kwofi, 2023).

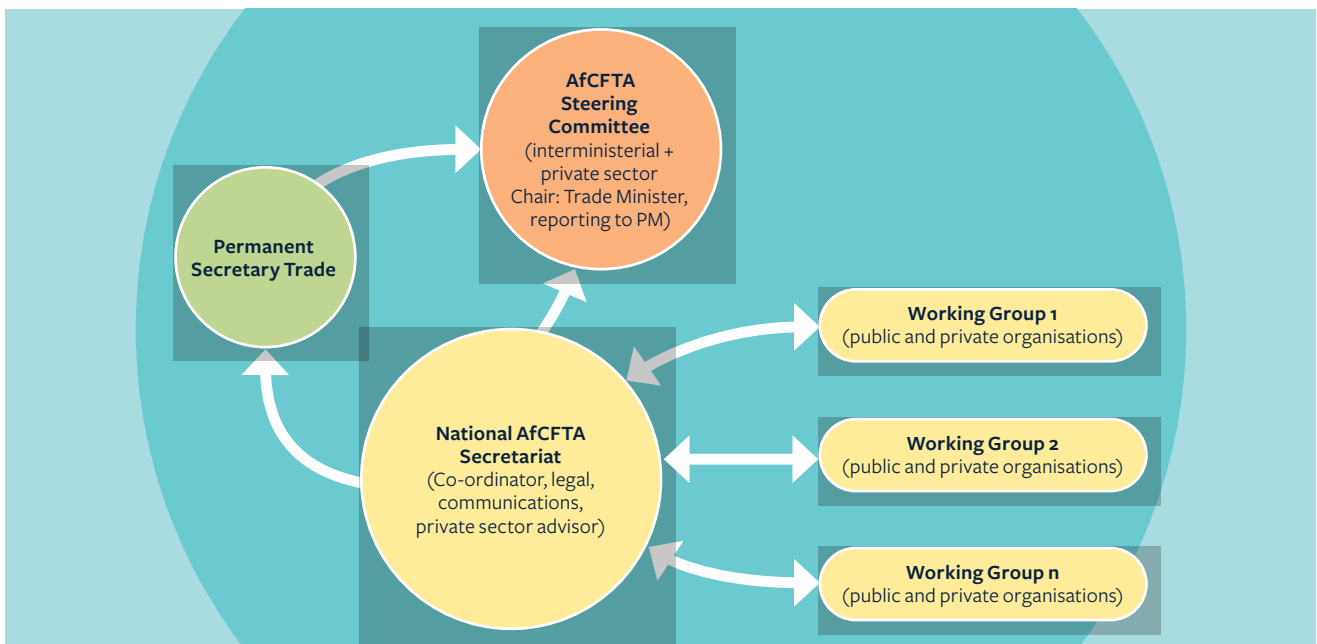
- The NICs of Kenya and Rwanda, in connection with the EAC, have designed a schedule of tariff concessions for certain products, inclusive of those that are traded under the GTI (EAC, 2022).
- NICs have also played an instrumental role in spurring the political will to support trade under the GTI, as was the case of the flagging off of Kenyan tea to Ghana event that drew the support of the country’s president.⁹

A further lesson is that the private sector needs support on capacity-building and market information to trade efficiently. The NICs have a critical role in improving the private sector’s capacity and providing market information on trade opportunities and export procedures. A noteworthy example is Ghana’s NCO, which, with the support of ODI, has identified (an initial) 200 enterprises (one of which is Keda Ceramics, which traded under AfCFTA rules) to build their capacities to boost their export competitiveness.

3.3 Towards an NIC template: functions and forms

Figure 6 presents a general form for an NIC, consisting of a steering committee, a secretariat and working groups. There are many variations. For example, there could be a large secretariat implementing many development projects too, or a small, even one-person, focal point. The NIC could be separate from or the same as the NTFC. Working groups would need public and private sector participation and could be modelled along the BIAT themes. The secretariat reports to the steering committee, and the lead of the secretariat may also be line-managed by the permanent secretary in the ministry responsible for trade (to oversee all trade commitments). In this way, an NIC can also be designed to complement rather than duplicate existing trade negotiations and implementation strategies.

Figure 6 A possible form for a National Implementation Committee



⁹ <https://twitter.com/i/broadcasts/1vOxwMLVyLdGB>

Figure 7 presents the 10 essential functions of NICs discussed previously. All of these functions

need to be applied to the AfCFTA trade and development space.

Figure 7 Ten essential functions of NICs



We suggest a five-step template for the formation of NICs appropriate for each country setting:

1. *The formation of multi-stakeholder committee/s.* It could be a government-led committee or national task force formed to serve as an NIC. National governments can take the lead in forming implementation committees. This would involve creating a government committee responsible for overseeing AfCFTA implementation and ensuring that relevant ministries and agencies are involved in the process. As outlined in Figure 6, this would involve a steering committee, a secretariat with an experienced and well-connected lead, and a set of working groups, which involve the private sector and engage in range of activities.
2. *Develop a clear mandate and results framework.* The committee's (legal) mandate should be clearly defined, outlining its goals, objectives and responsibilities. It is important to have legal backing, budget and performance indicators based on a clear results framework. Equally important is to develop a mandate that fits AfCFTA responsibilities into the wider trade and development scene.
3. *Provide adequate resources.* The committee will need adequate resources, including funding, staffing and technical support (from government and donors), to carry out its work effectively.
4. *Engage in consultation and outreach.* The committee should engage in regular consultation with stakeholders and carry out outreach activities to build awareness of the AfCFTA and the committee's work.

5. *Monitoring and evaluation:* The committee should establish a robust monitoring and evaluation framework to track progress and identify challenges in the implementation process.

Deepening our understanding of effective NICs through further consultations can lead to an AfCFTA guide to the formation and operation of AfCFTA NICs.

4 Possible roles for the AfCFTA Secretariat in implementing the AfCFTA

There are opportunities and challenges for the AfCFTA Secretariat in the implementation of the Agreement. As Annex A suggests, there are various provisions in the legal text regarding monitoring and assisting AfCFTA implementation, implying different roles for the AfCFTA Secretariat.

AfCFTA Secretariat. Article 13 of the AfCFTA Agreement mandates the Assembly to establish a secretariat responsible for making administrative and operations decisions in coordinating, facilitating and supporting the implementation of the agreement with its protocols and annexes. It is further responsible for strategic management, planning, providing technical support and the establishment of an M&E mechanism to follow up on the implementation of the AfCFTA Agreement. Section 4.4 provides a clear mandate of the AfCFTA Secretariat in the implementation of the AfCFTA.

The three types of roles for the AfCFTA implementation include:

1. **Institutional support.** As mentioned in the introduction, State Parties are required to begin AfCFTA NICs ‘to ensure meaningful participation of all stakeholders and come up with national AfCFTA and Boosting Intra-African Trade Strategies’. The setup and operation of NICs could be supported by exchange of experiences and deeper technical assistance.
2. **Monitoring and evaluation.** There are legal provisions for a monitoring, evaluation and review role of the AfCFTA Secretariat. The introduction of Article 9 of the AfCFTA Agreement includes monitoring functions such as ‘implementation, administration, facilitation, monitoring and evaluation of the AfCFTA’. Further ingredients for monitoring and evaluation exist at the level of the specific protocols. For example, Article 31 of the AfCFTA Protocol on Trade in Goods requires the Secretariat to prepare, in consultation with State Parties, ‘annual factual reports to facilitate the process of implementation, monitoring and evaluation of this Protocol’. Article 26(3) of the AfCFTA Protocol on Trade in Services imposes similar obligations for services trade. This monitoring role needs to be staffed, depending on the AfCFTA peer review mechanism agreed, and also requires appropriate national counterparts, for example NICs.
3. **Capacity building and technical assistance around trade and development topics.** As an example, Article 29(1) of the Protocol on Trade in Goods states that ‘The Secretariat, working with State Parties, RECs and partners, shall coordinate and provide technical assistance and capacity building in trade and trade related issues for the implementation of this Protocol.’ The Protocol on Investment states ‘To further the implementation of these provisions, the AfCFTA Secretariat working with the Pan-African Trade and Investment Agency, State Parties, Regional Economic Communities and partners shall coordinate the provision of technical assistance and undertake activities to enhance capacity building.’ Such activities require extensive roles for the Secretariat in coordinating and providing technical assistance. This may also need country-level counterparts such as NICs.

Table 3 Role of the AfCFTA Secretariat in implementing the AfCFTA

| | Institutional support | Monitoring and evaluation | Capacity building and technical assistance |
|-----------|--|---|---|
| Modest | sharing best practices | | |
| Active | sharing best practices and building capacity | AfCFTA policy review of state parties, by trade topic | |
| Intensive | sharing best practices and building capacity | AfCFTA policy review of state parties, by trade topic | coordination and implementation of capacity-building and technical assistance including resource mobilisation |

Based on these legal provisions, there are three levels of efforts required from the Secretariat.

1. a modest role for the Secretariat involving sharing of best practices in AfCFTA implementation (NICs);
2. an active role for the Secretariat involving regular monitoring and updating of the Agreement (relating to the roles ascribed to AfCFTA in negotiation texts); and,
3. an intensive role for the Secretariat in implementation as in negotiations: convening regular meetings around negotiation themes and assisting implementation around trade and development through technical assistance and capacity building.

We now describe these roles in more detail.

4.1 A modest role for the AfCFTA Secretariat

The AfCFTA Secretariat would have a dedicated unit or division to support NICs. It could document successes and share this with all State Parties. The review in Chapter 3 suggests there are different models or institutional forms, though they tend to perform similar functions. Such support activities could involve capacity-building activities at country level coordinated by the Secretariat. For

example, the WTO houses the EIF, which engages in institutional capacity-building activities that support staff in the poorest countries.

Roadmap of activities for 2023–2024:

- create and sustain a dedicated unit or division around NICs;
- create a range of knowledge products around NICs;
- engage with continental, regional and national players and activities to share best practices and evolution in these;
- develop the Secretariat’s offer around NICs’ institutional setup;
 - NIC ways of working with the private sector;
 - creating success in monitoring the GTI and other activities; and
 - creating synergies with other trade implementation mechanisms.

4.2 An active role for the AfCFTA Secretariat

A more active role for the Secretariat involves actively engaging in assisting implementation (formation and operation of the NICs) and then monitoring of implementation on key topics of the AfCFTA, such as trade in goods and services policies. While the depth of such work is to be agreed, it is likely to be important to have dedicated teams in

the Secretariat that can undertake a monitoring role. This could involve reskilling AfCFTA negotiation teams into AfCFTA implementation teams. It would also need skilled AfCFTA staff to undertake reviews alongside appropriate country-level mechanisms, possibly supported through or anchored in NICs.

Roadmap of activities for 2023–2024:

- create and sustain a dedicated unit, division or directorate around NICs and ensure this as well as all sector/issue teams (trade in goods, trade in services, investment, etc.) is prepared to take a monitoring role in a way that is consistent with the AfCFTA legal texts;
- undertake a hand-holding exercise for State and non-State Parties in the formation and operation of NICs;
- create a range of knowledge products and agree methodologies around monitoring implementation at the sector level (e.g. have AfCFTA tariffs been implemented, have new investment laws been domesticated, etc.);
- undertake monitoring reports using missions (similar to WTO Trade Policy Reviews or International Monetary Fund Article IV) and report them to the respective issue-based AfCFTA committees (this implies issue-based collaboration between countries and the Secretariat, see Box 3);
- organise meetings and follow-up actions around periodic monitoring activities (Box 3); and
- develop and streamline the Secretariat’s approach towards monitoring AfCFTA implementation.

An active role of the Secretariat through NICs and AfCFTA (Trade Policy) Review Mechanism (AfPR)

An effective implementation, monitoring and evaluation role is particularly important for a trade agreement whose success is highly dependent on

the confidence of each State Party. The confidence of each State Party is that every other State Party will honour the rules of conduct agreed in the text of the AfCFTA Agreement as well as the concessions and commitments exchanged during the negotiations, and the binding decisions taken through its policy institutions. An effective mechanism can be a powerful tool in the effort to realise the AU objective to ‘accelerate the political and socio-economic integration of the continent’, and realise the AU shared values. It also aims to advance transparency in implementation by contributing to ‘improved adherence’ by all States Parties to the commitments contained in the AfCFTA Agreement, its protocols and any binding decisions taken by the appropriate organs in the operation of the AfCFTA.

A robust system of implementation, monitoring and reporting of the performance of AfCFTA State Parties *vis-à-vis* the obligations contained in the AfCFTA Agreement and its Protocols, both present and future, is crucial for the success of the AfCFTA. Such a system is likely to bring multiple benefits for the AfCFTA regime. It can (i) bring transparency in trade policy formulation and implementation at the national level; (ii) serve as a platform for the exchange of information and experience across the membership; and, (iii) provide additional avenues for consultations to settle differences, which would serve as a tool for dispute avoidance and reduce the risk of ‘litigation’.

The AfCFTA Secretariat is the custodian of the AfCFTA legal framework. Monitoring and review of implementation is an important function, ascribed to it by the AfCFTA Agreement. Such monitoring and review can pinpoint gaps in implementation and needs for technical assistance and capacity-building and keep the momentum on the AfCFTA going.

The AfCFTA Secretariat is currently holding regional consultations on the design and functions of the AfCFTA (Trade Policy) Review Mechanism. By comparison, the WTO Trade Policy Review Mechanism involves a policy statement by the Member State, a report by the Secretariat and a review meeting. It also reviews Aid for Trade (AfT) activities. And as discussed above, the WTO TFA requires WTO Members to ‘establish and/or

maintain a national committee on trade facilitation or designate an existing mechanism to facilitate both domestic coordination and implementation of the provisions of this Agreement’ (Article 23.2 of the TFA). If the AfCFTA peer review mechanisms require a policy statement or updates from a Member State, this needs to be anchored in an institutional entity at country level.

Box 3 Possible steps in the AfCFTA Review Mechanism

Several ideas exist for the operationalisation of the AfCFTA Secretariat’s role in monitoring.

- The AfCFTA Secretariat, RECs and State Parties through appropriate national bodies will monitor how the AfCFTA Agreement, Protocols, Annexes, etc. are being implemented by conducting peer reviews of State Parties/Customs Unions trade policies. The AfCFTA Secretariat would determine that the State Parties have taken measures to bring into compliance their AfCFTA obligations through the national domestic processes.
- Reviews would take into account the State Party’s economic and developmental needs, policies and objectives, and external trading environment. The review process will be conducted through:
 - a detailed questionnaire on compliance of obligations prepared by the AfCFTA Secretariat;
 - country visits by the Secretariat to State Parties (NICs);
 - a joint report on the State Parties’ trade policies and practices by the AfCFTA Secretariat and the concerned State Party (NICs);
 - a written question and answer process (the State Party responds to questions from other State Parties about trade policies and practices); and,
 - a formal meeting of senior trade officials and the relevant State Party.
- Sources of information for reports will be:
 - notifications by State Parties and Customs Unions;
 - specific requests for information from State Parties and Customs Unions;
 - RECs;
 - missions to State Parties and RECs; and,
 - third party information, such as newspapers, research papers and Partners’ Reports as much as possible verified by the concerned State Party.

Box 3 Possible steps in the AfCFTA Review Mechanism continued

The review process is expected to adhere to the following set of principles:

- full transparency and disclosure pertaining to the process;
- multi-stakeholder participation at all stages;
- effective feedback loop regarding compliance;
- substantive linkage with regional and national entities and processes;
- use of timely, disaggregated and reliable data and evidence; and,
- platform for exchange of ideas and good practices.

Source: Halima Noor (AfCFTA Secretariat) and authors.

In relation to the implementation of the AfCFTA, the AfCFTA Review Mechanism and NICs would likely complement each other through, among others, the provision of progress updates, responses to surveys and the submission of notifications as provided for in the AfCFTA Agreement. Country reviews conducted under the Review Mechanism could serve as inputs to technical assistance and capacity-building plans that could be (co-)developed by NICs. While the priority in 2023 would be around formation of NICs, it may also be important to explore how NICs could support an expanded, and more active, role of the AfCFTA Secretariat in monitoring and review.

4.3 An intensive and supporting role for the AfCFTA Secretariat

An intensive role around coordinating and implementing technical assistance to support country-level implementation is wide-ranging. It requires trade policy skills as well as AfT

programme management skills. This paper has reviewed trade policy support schemes such as the EIF, and such capacity-building schemes offer lessons (see Annex C).

The AfCFTA is about more than trade policy, and is complemented by a range of instruments to address adjustment, financial payment systems, observatories, etc., which also need to be resourced, embedded in country systems and implemented. Taking these additional instruments into account, the role of the Secretariat could be significantly expanded.

Roadmap of activities for 2023–2024:

- create and sustain an AfT-like unit, division or directorate in the Secretariat staffed with substantive and programme management skills;
- create a range of knowledge products around AfT-like programmes relevant for AfCFTA implementation (in the widest sense) at country level;

- fundraise and leverage funding for such a scheme around the AfCFTA – for example a regional AfT programme such as the EIF for African least developed countries (LDCs), to undertake the following type of activities at country level:
 - build capacity of NICs by using an EIF support model for Tier 1 activities that is differentiated across countries;
 - support activities for NICs such as MEL, communications, services assessments, enterprise audits (as ODI has undertaken in the case of Ghana and Nigeria);
 - leverage and channel other country-level donor programmes for enterprise development, infrastructure and economic transformation;
- coordinate, channel and/or implement AfT activities; and
- monitor, evaluate and learn from activities.

As argued, the role of the private sector (manufacturers, importers small traders, etc.) in the implementation of the AfCFTA is critical to the success of the AfCFTA. However, in many African countries, the capacity of the private sector is weak, hence implementation of the AfCFTA would require active efforts to build the capacity and organisation of the private sector to participate in the consultation processes for the country to build a national mandate and consensus on its negotiating positions. The AfCFTA Secretariat could also work closely with its State Parties and facilitate regional trade integration and investment by the African private sector, particularly those players that have the highest potential to help transform African economies.

4.4 Mandate of the AfCFTA Secretariat in the implementation of the Agreement

It is also important to discuss the role of the AfCFTA Secretariat generally in the implementation of AfCFTA. The functions of the AfCFTA Secretariat were considered at the 1st and 2nd Meetings of the Council of Ministers responsible for Trade.¹⁰ The AfCFTA Secretariat was given the following mandate:

1. Coordinate, facilitate and support the implementation of the AfCFTA agreement, its protocols and annexes
2. Provide administrative and technical support for the implementation and enforcement of the AfCFTA agreement
3. Ensure strategic planning and management of the AfCFTA implementation
4. Facilitate the establishment of a monitoring and evaluation mechanism for follow-up on the implementation of the AfCFTA Agreement and submit annual reports on its implementation to the Council of Ministers responsible for trade
5. Convene and service meetings of the State Parties as necessary to implement the AfCFTA Agreement
6. Provide, support and facilitate technical cooperation and capacity development programmes as provided for in the agreement
7. Undertake trade and investment promotion activities to enhance intra-Africa trade
8. Undertake awareness and stakeholders engagement activities to promote the AfCFTA in all Member States;
9. Facilitate periodic trade policy reviews and present reports to the Council of Ministers

¹⁰ The 1st Council of Ministers (COM) meeting on 24-25 October 2019 in Addis Ababa, Ethiopia, and the 2nd meeting took place on 15 December 2019, in Accra, Ghana.

10. Mobilise funds from partners to implement the AfCFTA;
11. Ensure promotion and dissemination of information on the AfCFTA to the stakeholders
12. Ensure cooperation with other organisations to promote the objectives of the AfCFTA
13. Ensure that implementation of the AfCFTA provides equal opportunities to the youth, women and men
14. Serve as a depository of notifications from State Parties required under the AfCFTA Agreement and transmit such notifications to State Parties; and
15. Carry out any other secretarial responsibilities that may be assigned to it by the Council of Ministers responsible for trade.

The structure of the AfCFTA Secretariat is based on the AfCFTA Architecture that is established by the Agreement as highlighted in Box 4 below:

Box 4 AfCFTA Institutions

The AfCFTA Institutions as established by the Agreement are summarised below:

- **The Assembly of Heads of State and Government:** According to Article 10 of the AfCFTA Agreement, the assembly provides oversight and strategic guidance on the AfCFTA, including the Action Plan for Boosting Intra Africa Trade (BIAT).
- **The Council of Ministers Responsible for Trade:** is established by Article 11 of the AfCFTA Agreement to provide policy guidance on implementation of the Agreement.
- **The Committee of Senior Trade Officials:** as established by Article 11 of the AfCFTA Agreement, consists of such Permanent/ Principal Secretaries or other officials designated by each State Party.
- **The Committee on Trade in Goods:** established by Article 31 of the Protocol on Trade in Goods, to carry out such functions as may be assigned to it by the Council of Ministers. The following five (5) sub-Committees report to this committee: Sub-Committee on Rules of Origin; Sub-Committee on Non-Tariff Barriers (NTBs); Sub-Committee on Sanitary and Phyto Sanitary (SPS); Sub-Committee on Trade Remedies; and Sub-Committee on Technical Barriers to Trade (TBT).
- **The Ad-hoc Committee of Directors-General/Heads of Customs Authorities:** At the 4th Meeting of the Council of Ministers held on 2nd February 2021, Ministers of Trade noted the need to formalize the Committee of Directors-General/Heads of Customs Authorities in view of the immense roles it plays particularly in addressing issues relating to Rules of Origin; trans-shipment, over-invoicing and other administrative matters that underpin the implementation of the Agreement. In this regard, the Council of Ministers established the Committee of Directors-General/Heads of Customs Authorities as an ad hoc institutional structure of the AfCFTA. The following three (3) sub-Committees report to this Committee: Sub-Committee on Trade Facilitation; Sub-Committee on Transit; and Sub-Committee on Customs Cooperation.

Box 4 AfCFTA Institutions continued

- **The Committee on Trade in Services:** established by Article 26 of the Protocol on Trade in Services to carry out such functions as may be assigned to it by the Council of Ministers. The following five (5) sub-Committees of the Committee on Trade in Services have been established by the Council of Ministers responsible for Trade as envisaged under the Protocol on Trade in Services: Sub-Committee on Specific Commitments; Sub-Committee on Regulatory Frameworks; Sub-Committee on Mutual Recognition of Professional Qualifications; Sub-Committee on Trade in Services-related Issues, including Payments and Settlement Platform; Online Services Negotiations Portal; Investment; E-Commerce; Innovation; Trade in Services Statistics; and Sub-Committee on AfCFTA Trade in Services Rules.
- **The Committees on Investment, Intellectual Property Rights, Competition Policy, Digital Trade, and women and Youth in Trade:** were established by the Council of Ministers responsible for Trade on 3rd May 2021.
- **The Dispute Settlement Body:** Article 5 of the Protocol on Rules and Procedures for the Settlement of Disputes establishes the Dispute Settlement Body in accordance with Article 20 of the AfCFTA Agreement to administer the provisions of this Protocol except as otherwise provided for in the Agreement.
- **The AfCFTA Secretariat:** established by Article 13 of the AfCFTA Agreement.

Source: Prudence Sebahizi (AfCFTA Secretariat)

The AfCFTA Secretariat is the only permanent institution of the AfCFTA that implements instructions of the Council of Ministers.

The Regional Economic Communities (RECs) are not parties to the AfCFTA Institutional Architecture but they are represented in the Committee of Senior Trade Officials in an advisory capacity. The RECs Free Trade Areas are building blocks of the AfCFTA and the AfCFTA Secretariat has established a collaboration mechanism that brings together the Secretariats of RECs and Regional Business Councils to ensure effective implementation of the Agreement. This mechanism will enhance the capacity of National Implementation Committees.

The National Implementation Committees are expected to support the work of AfCFTA Institutions at national level and ensure implementation of State Parties commitments made in the Agreement.

4.5 Accessing AfT to support the Secretariat's role

The AfCFTA Secretariat receives a regular budget from the AU for a range of purposes and activities, for example for staff. There are also experts and activities at the AfCFTA that are funded by external agencies. ODI (2021a) identifies some \$140 million of external funding dedicated towards AfCFTA types of activities. There are also lessons from a recent AfT roundtable (Box 5).

For the purposes of this paper, on how the AfCFTA Secretariat could play a role, a number of current and future sources could be tapped:

- UK-funded programmes, including TradeMark Africa (TMA) and ODI's Supporting Investment and Trade in Africa (SITA) programme, which support trade facilitation and policy development, respectively;
- EC flexible funds as well as funds through implementing partners such as the German Corporation for International Cooperation (GIZ) and the International Trade Centre; total financing by the EU is close to €80 million with some €7 million allocated to flexible funding;
- EC leveraging of member state financing through Team Europe (the Technical Assistance Facility, TAF), with significant funding from Germany, including through its implementing arm, GIZ;
- a Japanese memorandum of understanding (MoU) with the AfCFTA in late 2022, which focuses on, among other things, regional value chains; country programmes could link to AfCFTA issues though funding some country-level activities;¹¹
- a US MoU with the AfCFTA in late 2022, providing about \$170 million to support the negotiation and implementation of the AfCFTA, with much of that support coming from the United States Agency for International Development (USAID);¹²

- donors now considering future options for the EIF, which has received more than \$200 million to support trade capacity-building; and,
- a range of donors (e.g. Canada) that are channelling funds through UNECA, which have supported national implementation strategies, a core activity for NICs.

This is just indicative; a full mapping with access criteria would need to be developed. Certain types of much-needed support are missing from these interventions. For example, there is little attention to peer learning, sharing of implementation strategies and building up a cadre of African expertise around implementing trade and development strategies, such as around the formation and operation of AfCFTA NICs. An AfCFTA Academy linked to the AfCFTA Trade and Industrial Development Advisory Council could be one aspect in this. This would have the potential to really make the AfCFTA not just an FTA project but also a development strategy.

One way to advance the objectives of this paper would be to organise a roundtable to bring together donors with suggested activities to share best practices, monitor AfCFTA implementation and channels, and coordinate and/or implement trade capacity-building activities.

11 Discussion with the Japan International Cooperation Agency deputy director for Africa.

12 Discussion with the United States Trade Representatives Africa director and USAID officials.

Box 5 ODI roundtable on the future of AfT – summary and implications

In the context of ODI's support for the AfCFTA's coordination around NICs, ODI organised a roundtable on the future of AfT on 7 February 2023. This included speakers from TMA, ODI, the UK government, the Nigerian government, the AfCFTA Secretariat, the EIF, UNECA, the European Centre for Development Policy Management and Fairtrade and other trade experts.

The discussions highlighted a range of issues:

Several mega trends affect the future of AfT – shifts around technology, financing, climate change, adaptation and food security.

The emergence of AfCFTA has created political momentum around trade issues in Africa. There are many interlinkages between the AfCFTA, regional value chains, trade and industrial development. There are many entry points (institutional, corridors, industrialisation) for AfT to support this.

Financing for AfT is constrained: It is important to protect spending on AfT (e.g. in the UK) but also to seek the best returns and addressing needs (LDCs), and win-win interventions (e.g. the same trade interventions may address both AfCFTA and WTO issues).

Donor conduct: Success requires a long-term, sustained effort. Donors working project by project is not successful approach; strategic patience is needed. Future AfT programmes should be more catalytic, synergetic and differentiated. They should also pay attention to sectors.

Major challenges remain for AfCFTA **NICs**. They require a lot of coordination among agencies, ensuring ownership and awareness creation at grassroots level, but there is very little capacity for this in African countries. NICs normally consist of an inter-ministerial steering committee, a secretariat and working groups. The AfCFTA Secretariat has created a small unit to support the NICs.

These discussions have a number of implications for implementing AfT through or in coordination with the AfCFTA Secretariat to activities in areas of great need and with high impact:

- The regional level is now considered a better entry point than the global level for AfT. This means Africa continental or AfCFTA (and African regions) as key entry points, of course alongside African country-level entry points to support the NICs.
- It is important to have a long-term, sustained and targeted approach to AfT.
- It is important to build the capacity of AfCFTA NICs to deal with AfCFTA trade issues, which can have spillovers elsewhere.
- Within this, it is important for AfT programmes to identify high-return activities in countries with high needs, including African LDCs.
- There needs to be an emphasis on engaging the private sector.

Source: ODI workshop 7 February 2013.

5 Conclusions and implications

The AfCFTA requires countries to set up NICs to facilitate its implementation. It is the Mandate of the AfCFTA Secretariat to support the establishment of NICs.

This paper has reviewed experiences and institutional forms of NICs. Different countries attach different levels of importance to NICs. For example, Côte d'Ivoire, Ghana and Nigeria are frontrunners for different reasons. Ghana has attracted the AfCFTA Secretariat and showcases implementation, whereas Nigeria needed an NIC to support signing and ratification of the AfCFTA. Other countries, such as Rwanda, have added AfCFTA functions to the existing NTFC.

We reviewed forms and functions of existing NICs. This provides a template for the formation of new NICs or adjustment of existing NICs. NIC secretariats are usually housed in and led by ministries of trade, but often involve a high-level steering committee or council with ministers from other ministries. NICs tend to convene a number of working groups. Political and legal backing varies but is considered important for continuity and financial backing from national budgets and development partners. The private sector is usually included in the high-level governance structure. NICs also work to varying degrees with the private sector, including in the certification of companies to signal readiness to trade under AfCFTA rules.

This paper suggest a five-step template for the formation of NICs appropriate for each country setting:

1. *Form multi-stakeholder committee/s.* This could be a government-led committee or a national task force formed to serve as an NIC, involving

a steering committee, a secretariat with an experienced and well-connected lead and a set of working groups, which involve the private sector and engage in range of activities.

2. *Develop a clear mandate and results framework.*

The committee's (legal) mandate should be clearly defined, outlining its goals, objectives and responsibilities. It is important to have legal backing, budget and performance indicators based on a clear results framework. Equally important is to develop a mandate that fits AfCFTA responsibilities into the wider trade and development scene.

3. *Provide adequate resources.* The committee will need adequate resources, including funding, staffing and technical support, to carry out its work effectively.

4. *Engage in consultation and outreach.*

The committee should engage in regular consultation with stakeholders and carry out outreach activities to build awareness of the AfCFTA and the committee's work.

5. *Monitor and evaluate.* The committee should establish a robust monitoring and evaluation framework to track progress and identify challenges in the implementation process.

This five-step template can be refined following further consultations and analysis.

We scope out three roles for the AfCFTA Secretariat in facilitating and monitoring implementation, ranging from sharing best practices and undertaking monitoring on AfCFTA trade policies, to assisting with trade policy implementation in-country.

In line with these options, the AfCFTA Secretariat could:

- start a capacity-building project around AfCFTA NICs (learning lessons, e.g. from EIF institutional capacity-building programmes);
- build capacity to undertake monitoring and communicate the findings;
- document and coordinate trade policy support programmes and explore AfCFTA trade policy support *vis-à-vis* other trade policy support; and,

- coordinate activities around practical initiatives that showcase implementation, such as the GTI.

The roadmaps identified in this paper aim to support these areas. It will be really important to be comprehensive to see the AfCFTA not just as an FTA project but also as a development strategy.

References

- AfDB – African Development Bank, AU – African Union and UNECA – United Nations Economic Commission for Africa** (2020) *Africa Regional Integration Index 2*. (<https://www.integrate-africa.org/about-the-index/why-measure-regional-integration-in-africa/>) (accessed 29 September 2021).
- Anatogu, A.** (2022) 'Implementing AfCFTA in Nigeria - the journey so far'. LinkedIn, 10 July (<https://www.linkedin.com/pulse/trading-africa-francis-anatogu/>).
- Ansu, Y., Booth, D., Kelsall, T. and te Velde, D.W.** (2016b) 'Public and private sector collaboration for economic transformation'. SET Paper. London: ODI (<http://set.odi.org/public-and-private-sector-collaboration-for-economic-transformation/>).
- EAC – East African Community** (2022) 'Gazette'. 6 September, Vol. 1 AT1 (<https://www.kra.go.ke/images/publications/EAC-Vol.-AT-1-NO.-23-SEPTEMBER-2022.pdf>).
- International Trade Centre** (2021) 'ITC TradeMap'. (<https://www.trademap.org/Index.aspx>).
- Kwofi, M.** (2023) 'Ghana leads in quest for AfCFTA benefits'. Graphic Business, 7 February (<https://www.graphic.com.gh/business/business-news/ghana-leads-in-quest-for-afcfta-benefits.html>).
- Mudzingwa, E.M. and Chidede, T.** (2021) 'Trade facilitation in Africa: solutions and recommendations'. Tralac Trade Brief No. G21TB09/2021.
- ODI** (2021a) 'Donor support for the African Continental Free Trade Area'. Draft Briefing Note, October.
- ODI** (2021b) 'Assessing AfCFTA country-level implementation needs'. Unpublished Draft Scoping Report, October.
- Rao, P.** (2022) 'AfCFTA's Guided Trade Initiative takes off, set to ease and boost intra-African trade'. Africa Renewal, 12 October (<https://www.un.org/africarenewal/magazine/october-2022/afcfta%E2%80%99s-guided-trade-initiative-takes-set-ease-and-boost-intra-african-trade>).
- Te Velde, D.W.** (ed.) (2006) *Regional integration and poverty*. Aldershot: Ashgate.
- World Bank** (2021) 'CountryProfile, World Development Indicators database'. (https://databank.worldbank.org/views/reports/reportwidget.aspx?Report_Name=CountryProfile&Id=b45ofd57&tbar=y&dd=y&inf=n&zm=n&country=TCD) (accessed 21 May 2021).
- WTO – World Trade Organization** (2015) *World trade report 2015: speeding up trade: benefits and challenges of implementing the WTO Trade Facilitation Agreement*. Geneva: WTO. (https://www.wto.org/english/res_e/booksp_e/world_trade_report15_e.pdf).
- WTO** (2021) *Strengthening Africa's capacity to trade*. Geneva: WTO. (www.wto.org/english/res_e/booksp_e/strengthening_africas_capacity_to_trade_e.pdf).

Appendix 1 Legal provisions on the role of the AfCFTA in country-level implementation – illustrative examples

A number of provisions in AfCFTA legal texts provide for the organisation of implementation at country level and define a role for the Secretariat in supporting and monitoring AfCFTA implementation. However, these issues are not clarified in detail. This annex provides examples of legal provisions that offer a basis for thinking about implementation and possible roles for the Secretariat.

Some continent-wide decisions suggest that AfCFTA State Parties are required to start NICs. The Conference of African Ministers of Finance, Planning and Economic Development recognised the need for National AfCFTA Strategies in its May 2018 meeting in Addis Ababa. Then the July 2018 Summit in Nouakchott, Mauritania, Assembly/AU/3/(XXXI), committed to the establishment of National Committees ‘to ensure meaningful participation of all stakeholders and come up with national AfCFTA and Boosting Intra-African Trade Strategies’.

A decision on the AfCFTA (Assembly/AU/3/(XXXI) point 11)¹³ ‘commits to establish National Committees on AfCFTA to ensure meaningful participation of all stakeholders and come up with national AfCFTA and Boosting Intra-African trade strategies’; Point 12 ‘requests the Commission to: (i) develop a template on the operation of national AfCFTA committees by January 2019’.

The individual protocols on trade in goods and trade in services provide for a role for the AfCFTA in monitoring and assisting implementation:

- **Trade in goods.** Article 31 Implementation, Monitoring and Evaluation states that ‘The Secretariat shall, in consultation with State Parties, prepare annual factual reports to facilitate the process of implementation, monitoring and evaluation of this Protocol.’ Further, Article 29 on Technical Assistance, Capacity-Building and Cooperation says that ‘The Secretariat, working with State Parties, RECs and partners, shall coordinate and provide technical assistance and capacity building in trade and trade related issues for the implementation of this Protocol. State Parties agree to enhance cooperation for the implementation of this Protocol. The Secretariat shall explore avenues to secure resources required for these programmes.’
- **Trade in services.** Article 26 Implementation, Monitoring and Evaluation states that ‘The Committee shall prepare annual reports for State Parties to facilitate the process of implementation, monitoring and evaluation of this Protocol.’

13 https://au.int/sites/default/files/decisions/36130-assembly_au_dec_690_-_712_xxxi_e.pdf

Draft Phase II protocols also provide for a role for the AfCFTA Secretariat.

- **The AfCFTA Protocol on Investment Article 43** on Technical Assistance, Capacity-Building and Cooperation states that ‘State Parties shall support provision of technical assistance, capacity building and cooperation to promote and facilitate investment under this Protocol; To further the implementation of these provisions, the AfCFTA Secretariat working with the Pan-African Trade and Investment Agency, State Parties, Regional Economic Communities and partners shall coordinate the provision of technical assistance and undertake activities to enhance capacity building.’
- **The AfCFTA Protocol on Competition Policy Article 21** on Implementation, Monitoring and Evaluation states that ‘The Committee on Competition Policy shall be responsible for the monitoring and evaluation of this Protocol and report to the Council of Ministers. The AfCFTA Secretariat shall assist and support the Committee on Competition Policy in the implementation, evaluation and monitoring of this Protocol.’ And ‘The Secretariat and the Authority shall, in consultation with the Committee, prepare annual factual reports to facilitate the process of implementation, monitoring and evaluation of this Protocol.’
- **The AfCFTA Protocol on Intellectual Property Rights Article 33** on Technical Assistance and Capacity-Building states that ‘State Parties recognise the importance of technical assistance and capacity building to the implementation of this Protocol. The AfCFTA Secretariat shall work with, State Parties, Regional Economic Communities, regional intellectual property organizations, and relevant stakeholders to coordinate the provision of technical assistance, undertake activities to enhance capacity building, and facilitate the implementation of this Protocol.’

The AfCFTA Agreement discusses the role of committees in trade in goods and in trade in services. It also suggests having sub-committees, for example under trade in goods, on rules of origin, trade facilitation, customs cooperation and transit, NTBs, technical barriers to trade, and sanitary and phytosanitary measures. There are assigned roles for these committees around monitoring. Some articles go deeper and further and include a role for national committees.

For example, Article 28 (Annex 4 to the establishment of the AfCFTA, on Trade Facilitation) on National Committees on Trade Facilitation suggests that each State Party establish and/or maintain an NTFC or designate an existing mechanism to facilitate both domestic coordination and implementation of the provisions of the Annex. Annex 5 on NTBs explains that a ‘National Monitoring Committee’ means a committee of relevant stakeholders from private and public sectors as established under Article 5 of the Annex.

Article 8 (Annex 5 to the establishment of the AfCFTA, on NTBs) on National Monitoring Committees suggests that each State Party establish a National Monitoring Committee, with functions that include identifying, resolving and monitoring NTBs; defining the process of elimination; confirming deadlines for action; agreeing on recourse due to non-action; defining the mandate and responsibilities of NTB institutional structures; providing clear guidelines to the business community for the resolution of identified NTBs; and any other related activities. The National Monitoring Committee shall comprise relevant stakeholders representing the private and public sectors.

Appendix 2 Lessons from trade facilitation committees for the AfCFTA

Introduction

African countries agree in general that efforts must be made to reduce the high costs of trading within the continent to achieve greater integration and economic development (WTO, 2021). Evidence suggests that intra-African trade is constrained by non-tariff barriers, including duplicate and inefficient customs procedures, cumbersome administrative requirements and procedures, ineffective implementation of legal frameworks, and other operational issues at the borders (Mudzingwa and Chidede, 2021). These issues are more prominent for the landlocked developing countries in the Sub-Saharan Africa. The WTO Trade Facilitation Agreement (TFA) was adopted to “ensure a common platform for the implementation and widespread use of trade facilitation measures at the global level.” (WTO, 2021).

The Trade Facilitation Agreement sets out a series of measures aimed at accelerating the clearance of goods entering and leaving a country. To this end, it would reduce trade costs for all export and import operations, including transit, targeting behind and at-the-border issues and costs (WTO, 2021). Other benefits of the TFA were to boost exports, improve revenue collection, enhance transparency, increase effective cooperation between customs and other relevant authorities on compliance and trade facilitation (WTO, 2021). The trade costs for African countries is equivalent to applying an ad valorem tariff of 260 percent. Therefore, full implementation of the TFA can reduce trade costs for Africa by an average of 16.5 percent (WTO, 2015).

Experience of NTFCs in implementation of the WTO TFA

Under Article 22.3 of the TFA, Members have committed to establish a National Trade Facilitation Committee to facilitate both domestic coordination and implementation of the Agreement. At present, 34 countries in Africa (WTO members) have established NTFCs. The structure, goals, achievements and challenges faced by some of these NTFCs established by countries and RECs is highlighted in Table A1. Evidence shows that some of the major shortcomings of the present committees are the lack of legal support and reforms to full realise the benefits of a trade agreement, lack of coordination across different trade and customs agencies, lack of political will, and duplication of roles.

Table A1 Select Trade Facilitation Committees in Africa

| Country | Structure | Goals | Achievements | Challenges |
|---|---|---|---|---|
| Angola | <p>Presidency: Ministry of Industry and Trade (MoIT)</p> <p>Vice-Presidency: Ministry of Economy and Planning (MoEP)</p> <p>Secretariat: Angola Revenue Administration</p> <p>Representatives: MoIT, MoEP, MoF, MoFA, other ministries (Transport, Interior, health, agriculture); Angolan Central Bank, private sector members</p> | <ul style="list-style-type: none"> Created and institutionalised in June 2018 to implement the measures of the TF Aim to promote coordination of work on trade facilitation and ensure dissemination of new procedures Support the government in the study, evaluation, and definition of measures for effective control | <ul style="list-style-type: none"> Developed a single platform of trade chain logistics (ASYCUDA) Collaborated with the Angolan National Trade Facilitation Technical Group to survey the key requirements from actors in import, export, and logistics chain Certified 38 AEOs Undertook a coordinated border management project for regional integration (SADC) | <ul style="list-style-type: none"> Lack of political will and sensitization of policymakers to the importance of TFA Sensitisation of economic operators Duplication of organs to address the same TFA provisions Low degree of participation of technicians Lack of technical and financial assistance |
| ECOWAS (Trade Facilitation West Africa) ¹⁴ | <p>Chair: ECOWAS Commission</p> <p>Deputy Chair: UEMOA Commission</p> <p>Managing partners: World Bank Group and GIZ</p> <p>Development Partners: EU, USAID, Government of the Kingdom of the Netherlands, Government of the Federal Republic of Germany</p> | <ul style="list-style-type: none"> Created to support the NTFCs on implementing the WTO TFA and the Protocol for Trade in Goods of the AfCFTA. Brings together the public, private sectors and civil society members to address trade bottlenecks and improve trade facilitation within the region. Strives to reduce time and cost of trade borne by the private sector Improve the movement of goods along selected corridors Support small-scale traders, women, and other stakeholders Provide financial and technical assistance for implementation of specific measures (SPS, TBT, NTB) | <ul style="list-style-type: none"> Efficiently implemented some of the TFA measures Improved monitoring capacities Created priority corridors between Cote d'Ivoire and Burkina Faso, Benin and Niger, Senegal and Mali, Nigeria and Niger, Togo and Burkina Faso, Ghana and Burkina Faso, | <ul style="list-style-type: none"> Simplify border clearance procedures for small traders to reduce time, cost, and abuse or harassment. Constrained access to finance for small traders Need to improve the gender capacity of NTFCs in member countries, Integrate gender into trade related procedures and policies Improve SPS measures by strengthening the capacities of inspectors at border checkpoints and improving the required equipment Poor awareness on trade rules and regulations Poor border and market infrastructure |

14 Information obtained from: <https://tfwa.projects.ecowas.int/index.php/en-us/>

| Country | Structure | Goals | Achievements | Challenges |
|----------|--|--|--|---|
| Egypt | Members: Competent authorities from public and private sector | <ul style="list-style-type: none"> • Implementing the TFA • Identify assistance and capacity building needs | <ul style="list-style-type: none"> • Efforts made to implement a National Single Window to facilitate electronic communication among authorities (Customs Authority and the General Organization for Export and Import Control (GOEIC)) • Introduced a new set of rules to reduce the number of documents required for exports and imports • Internalisation of the TFA by redrafting national customs laws | |
| Eswatini | <p>Policy level: Cabinet, Sub-committee on investment, NTFC</p> <p>Operational Level: NTFC, NTD Operational Working Group, NTFC Secretariat</p> <p>Technical level: TRS Project Steering Committee and Working Group, TIP Project Steering Committee and Working Group, Other TP Committees (SPS, NTB, TBT), Technical Working Groups</p> | <ul style="list-style-type: none"> • To facilitate domestic coordination and implementation of provisions of the WTO TFA and any other trade. • Strengthen governance, management and coordination of initiatives • Modernise information systems of trade regulatory agencies • Enable paperless trade and information exchange • Develop a single electronic platform enabling online publication of trade information • Implement a coordinated border management (CBM) practices | <ul style="list-style-type: none"> • Establishment of Secretariat in 2019 • Signed an advisory agreement with IFC • Developed a roadmap and detailed implementation plans • Developed a Monitoring and Evaluation plan for project implementation • Developed a One Stop Border Post (OSBP) with South Africa • Developed a blueprint of the CBM Framework • Launched the Eswatini Trade Information Portal (TIP) | <ul style="list-style-type: none"> • Slow cooperation between agencies to share information • Varying understanding of the TFA • Limited prioritisation and funding for NTFC initiatives • Low sustainability of the Secretariat • Lack of legal support and reforms • Staffing and communication support |

| Country | Structure | Goals | Achievements | Challenges |
|---------|---|--|--|---|
| Togo | <p>President: Ministry of Commerce</p> <p>Vice Presidents: Togolese Revenue Office (OTR), Ministry of Transport</p> <p>Reporters: Chamber of Commerce and Industry, National Council of Employers</p> <p>Suite: MoEF, MoH, MoA, Autonomous Port of Lomé</p> | <ul style="list-style-type: none"> • Training and awareness sessions for exporters and importers, accredited carriers and customs brokers, other committee members • Delegate the role of each member under the TFA and coordinate actions • Create technical groups to address certain provisions related to simplification of customs procedures, and publication of regulatory information | <ul style="list-style-type: none"> • Information and awareness tours on the TFA at the Autonomous Port of Lomé • Conducted a workshop to identify bottlenecks and formed plans to eradicate them by coordination efforts across the NTFC • Frequent meetings of the committee (every quarter) • Conducted a workshop to determine needs for technical assistance for the implementation in Category C • Received support from the World Bank Group to improve the competitiveness of logistics services | <ul style="list-style-type: none"> • Training of staff required to draft a multi-year roadmap; monitoring and evaluation of implementation, performance measurement • Capacity building of members to smoothen implementation |

Note: Other successful NTFCs were created by Morocco and Zambia.

Source: WTO Trade Facilitation Agreement Database

The UNCTAD database on National Trade Facilitation Committees¹⁵ can be used to compare these NTFCs across countries in Africa to determine the drivers of success in implementing the WTO TFA (Table A2).

Table A2 Performance of NTFCs across Africa

| Activity | Share of countries that performed well |
|---|--|
| Disseminate information on TF and raise awareness | 62% |
| Organise capacity building and training | 62% |
| Advise government and make recommendations | 55% |
| Collaborate with other NTFCs in the region | 49% |
| Regular meetings (quarterly or monthly) | 71% |

Note: Percentage shares of countries that performed well are based on a varying sample size per activity.

Source: UNCTAD NTFC database

This can be supplemented by the experiences of various countries in implementing the articles of the TFA (Table A3) to form best practices and lessons for the formulation of AfCFTA national implementation committees or similar TFCs to implement the AfCFTA at a national and regional level.

¹⁵ The database includes 40 African countries.

Table A3 Selected successful experiences of African countries and RECs in TFA implementation

| Country/ REC | Sub- component of TFA | Experience | Key Impact |
|-----------------------|---|---|--|
| Ghana ⁱ | Publication and availability of information, enquiry points (Article 1.2 and 1.3) | Under the MOTI, Ghana established an official Trade Facilitation Enquiry Point (TFEP) that published information about import, export, and transit procedures, rates and taxes, fees and charges, rules for valuation, rules of origin, penalty provisions, tariff quotas and appeal procedures. | This ensures that local and international trading community have access to current and accurate trade information. |
| Senegal ⁱⁱ | Digitalisation of import processes | In Senegal, the AMFE ¹ and the DPV ² have created the generic national management system for generating electronic phytosanitary certificates (GeNS e-phyto) under the guidelines of the Government of Senegal. It digitally manages the request process, processing and allocation of phytosanitary certificates and import permits (e-permits). | It facilitates several export and import procedures through digitalisation that reduces delays and trade cost. This includes raising inspection requests and reports, verification, issuance, and sharing of digital certification to destination country, and digitally maintaining past records to ease later consultations and increase transparency. |
| Zambia and COMESA | Authorised Operators (Article 7.7) | Zambia has a programme with similar functions as the Authorised Economic Operator (AEO) called the Customs Accredited Client Programme open to reliable and compliant traders based on due diligence and supply chain security checklist. This is complemented by COMESA Regional Authorised Economic Operator (AEO) Programme | It helps to guide customs offers and traders to monitor compliance. The COMESA regional programme also harmonises and standardises procedures and criterion for granting an AEO status across regional members (12). |
| Rwanda ⁱⁱⁱ | Single window (Article 10.4) | Rwanda implemented an Electronic Single Window (ReSW) under the Rwandan Revenue Authority to assist the clearing and forwarding agencies, as well as the customs agency. This was financed by Trade Mark Africa (TMA) and gathered strong support from the government. It was implemented in 2013 as a single entry point for export, import and transit of goods. | It comprised the introduction of electronic payments, increased surveillance, single window for documentation and submission of paperwork through a single entry point. These sped up cargo clearances, increased level of compliance, reduced delays and costs of trade, and improved cross-agency communication on trade procedures. |

Note: 1. AMFE: Alliance Mondiale pour la Facilitation des Echanges or the Global Alliance for Trade Facilitation

2. DPV: Direction de la Protection des Végétaux

i : A similar experience was reported by Cote d'Ivoire in the creation of the Portail Web D'Information Commerciale (PWIC); Eswatini through Eswatini Trade Information Portal (ETIP).

ii: Also implemented by Morocco under digitalisation of phytosanitary certification (ePhyto)

iii: A similar National Single Window was implemented by Ghana under the Integrated Customs Management System (ICUMS) in 2020 that reduced enterprises' clearance costs by 30%

Source: WTO Trade Facilitation Agreement Database

Establishing TFCs for AfCFTA: Best practices and lessons to consider

The operation of the TFCs provides a number of best practices, issues, and therefore, lessons for implementing the AfCFTA.

Legal foundation and political support: Many NTFCs have a legal foundation which can be used to expand operations to cover AfCFTA trade facilitation and beyond. Most committees are built on a strong foundation that involves public and private stakeholders. In the best case, the ministries of commerce, trade, and industry chair the committees, with members from other auxiliary ministries- finance, transport, revenue authority, information technology, agriculture, etc.), as well as CEOs of large private firms that will be directly affected by trade measures. This is a good starting point for internalisation of the AfCFTA protocols.

Moreover, some existing TFCs also have political commitment and high-level support. Successful examples include the NTFC for South Africa that was approved by both the houses of parliament (via a cabinet memorandum). Rwanda and Uganda's committees were also established through a decree at the level of the president. However, other committees in Eswatini and Togo mention the lack of political will and domestic reforms as a major impediment to their work.

In the case that political will does exist, it can be leveraged to garner support for similar committees for implementation of the AfCFTA. However, caution must be exercised in avoiding duplication of effort for the implementation of the WTO TFA and the AfCFTA protocols. For example, the NTFC for AfCFTA could be a part of the existing NTFCs for TFA, with a broader base and larger scope of activities. In fact, ECOWAS has named the Trade Facilitation West Africa as a central programme to address all facilitation needs. Other RECs could follow this example.

Financial and technical assistance: the shortage of funds and technical expertise has been cited as a major deterrent to the proper functioning of committees (Table A2). This issue is exacerbated by the lack of commitment from the national government towards the objectives set by the TFCs. This is especially a problem reported by the NTFC of Togo.

Therefore, financial aid and resources could be made available to develop a workplan, objectives, and communication strategy of the committees. This needs to be supplemented by capacity building workshops. Governments could also enable the availability of technical assistance in establishing NTFCs. This could include:

- Experience (and best practices) sharing across regional partners and RECs
- Engagement of external organisations through Aid for Trade aimed for LDCs

Coordination and monitoring: Some African TFCs have reported overlapping jurisdictions and functions of members due to unclear division of responsibilities. As a result, members are unable to follow own their responsibility in the implementation of an agreement. Therefore, it would be beneficial for committees to clearly define the role of different members and associated

organisations. This will foster cooperation and mutual trust among members on common goals. Moreover, national governments and private sector could enable access to skilled and knowledgeable personnel to coordinate different objectives and tasks of the committee.

The lack of coordination across different members of TFCs, sub-committees, working groups and technical groups is a major issue faced today. This is due to the involvement of several personnel from a wide range of ministries and private sector organisations. Future committees should therefore, ensure that stakeholders and members meet regularly, at least quarterly (71% of African NTFCs already meet at this frequency, Table A2) to ensure continuity communication, and transparency. Focus on continuous involvement of the private sector and other stakeholders to ensure concerns and needs are addressed could be a great complement.

To ensure committees are on track with their work plans and objectives, and their outputs are matched with the expected outcomes of supporting trade, committees would ideally, need to undertake regular monitoring and evaluation of results through consultations with stakeholders and independent third-party assessments of activity, projects, strategy, and institutional performance. Such activities have been planned by the NTFC in Eswatini and have proved to be helpful.

Inclusivity: Countries have conducted surveys to understand the role played by **women** in TFCs. Results point towards the need for future trade-related committees to conduct gender sensitisation workshops and training sessions to improve their gender capacities. Since the AfCFTA aims to support women empowerment, national committees could internalise this requirement by including gender in all trade-related procedures and policies. This could also mean reducing the barriers for women traders, producing gender-sensitive toolkits at an organisational level, and creating gender champions.

Another set of marginalised trade players are the **small traders**. Surveys and monitoring exercises conducted by existing NTFCs indicate the lack of finance and technical assistance as the main factors causing delays at border, especially for small traders. Trade facilitation under the AfCFTA should aim to tackle these issues to improve inclusivity of small traders in Africa. Moreover, customs procedures can be simplified to ensure compliance and shorter waiting times at border crossings.

Customs procedures: Despite efforts by committees to implement the provision of the WTO TFA, traders, transporters, and customs officers in the ECOWAS region have reported cumbersome and lengthy procedures that increase costs and time. National committees for the implementation of the AfCFTA provisions on trade in goods should aim to simplify the complex border clearance procedures. This can be tackled through interventions by the REC Secretariats as well to ensure smoother regional and continental trade. Digitisation of customs procedures (Table A3) is already completed in the form of electronic single windows by several African countries (Ghana, Rwanda, Cote d'Ivoire, Senegal, Eswatini, Morocco, South Africa). However, many other countries are yet to complete this crucial step. Evidence shows that e-information portals have been successful in reducing cost of trading, and improving overall trade volumes processed by border controls.

Appendix 3 Lessons from the Enhanced Integrated Framework for AfCFTA implementation

The Enhanced Integrated Framework (EIF) assists least developed countries (LDCs) in their use of trade as an engine for growth, sustainable development and poverty reduction. The EIF partnership of 51 countries, 24 donors and eight partner agencies works with governments, development organisations, civil society and academia. UN Sustainable Development Goal 8a specifically recognises the role of the EIF in increasing Aid for Trade support for least developed countries.¹⁶

The EIF approach has led to interesting insights, including for AfCFTA trade policy making. Some 90 per cent of LDCs now have integrated trade into their national development plans, while 35 LDCs have absorbed project-based trade teams into their national government structures to better support coordination of trade-related technical assistance, thereby ensuring the sustainability of the EIF interventions beyond the implementation of EIF project cycles.

The EIF has funded over 50 analytical studies to identify the trade priorities of LDCs. Building on these findings, LDCs have benefitted from targeted investments in key productive sectors. Over time the EIF has placed a greater emphasis on engagement with the private sector and on the economic empowerment of MSMEs, women and youth. Currently, women account for over half of the beneficiaries of EIF interventions in productive capacity.¹⁷

The experience in four successful countries (2 Africa, and 2 elsewhere; see table A4) suggests a number of factors for success for effective trade policy making. The EIF supported institutional building projects as well as economic development projects. Factors for success include:

- The importance of a strong government vision for implementation and coordination
- The importance of an appropriate skills mix in the secretariat or implementing unit, which includes government staff, experts on project management and trade development, and specialist skills when number and value of projects increase
- Use of a common steering committee or oversight mechanism enabling senior officials and ministers avoiding duplicate oversight committees.
- Leadership by Minister of Trade for convening purposes.

16 WTO | Development - Enhanced Integrated Framework

17 Boosting trade opportunities for least-developed countries: Progress over the past ten years and current priorities (wto.org)

The implications for AfCFTA trade policy making and possible support in co-ordination with the AfCFTA Secretariat include:

- **Leadership, vision and involvement of ministers** will be important on this or any trade topic;
- Implementation of the AfCFTA commitments involves multiple activities and projects and hence **appropriate institutional capacities** are required to co-ordinate these;
- Co-ordination and **avoidance of complicated or duplicated structures** is also important.

Table A4 The experience of EIF support in 4 countries and lessons learned

| | EIF projects | Selected achievements | Key factors/lessons |
|--------------|--|---|--|
| Rwanda | 6 projects (\$US 7.3 million) | Set up a government-wide policy to establish Single Project Implementation Units (SPIUs). The MINCOM SPIU created a team of project-financed staff to coordinate and implement projects for the Ministry. The SPIU was able to service different projects, including those from the World Bank, AfDB, IFAD and UNIDO, while providing support to projects implemented through partners such as those from the EU, TMEA and GIZ. | A strong government vision for coordination is a key driving force for partners to work together. Investing in coordination for the cross-border trade initiative has enabled collaboration between EIF and other key funding partners such as TMEA, the World Bank and others. |
| Burkina Faso | 9 projects with a total value of \$ 13 million (of which \$9.4 through the EIF Trust Fund) | The NIU was set up by the Ministry responsible for trade with a mandate to lead on and coordinate the Aid for Trade programme. The NIU is leading the delivery of projects funded by EIF, Luxembourg, STDF and the African Development Bank. At the same time, the NIU is the contact point for work with ITC, UNCTAD and other international agencies for regional/donor-funded projects . Staff at the NIU are also closely involved in WTO and regional integration discussions and provide technical support to the Ministry across these areas. | Once set-up, the implementation unit can serve multiple purposes around different trade policy projects and objectives. |

| | EIF projects | Selected achievements | Key factors/lessons |
|---------|---|---|--|
| LAO PDR | 6 projects (EIF funding of US\$ 6.5 million) | <p>The EIF Trust Fund resources contributed to developing a technical NIU team and plugging funding gaps in national quality infrastructure development, public-private dialogue and regional development.</p> <p>Over USD 40 million has been channelled through the NIU, with over USD 150 million coordinated through the unit and targeted towards DTIS priorities. National coordination structures have been well established, laying the groundwork for trade and private sector development, including the Accession to the WTO as well as progress within dynamic regional trade agreements.</p> | <p>The NIU team is made up of government staff as well as experts on project management and trade development. The new implementing structure can be used for projects beyond EIF.</p> <p>Increased resources channelled through a common team facilitated specialist skills to be developed in the NIU, such as monitoring and evaluation, and international expert, communications and fiduciary personnel, reducing duplication and increasing efficiency and effectiveness.</p> <p>Efficiency achieved through projects reporting through a common steering committee / oversight mechanism enabling senior officials and Ministers to focus on substantive tasks not duplicate oversight committees.</p> |
| Vanuatu | 9 projects (US\$ 9.3m, with EIF Trust Fund contribution of \$ 6.7 million). | Supporting Vanuatu's accession to the WTO; building support for trade integration by leveraging and coordinating interventions. Through the EIF, an NIU (Trade Development Unit) was created within a high-level office in the Ministry of Trade, including government officials and project staff, to promote sustainability for resources. The National Trade Development Committee (as the EIF National Steering Committee), brings together government Ministries, private sector and donors to monitor the Trade Policy Framework | Leadership by Minister of Trade for convening (also Deputy Prime-Minister) - this helps bring different Ministries round the table. Strong preparation and follow-up is made to the NTDC to promote concrete outcomes and visible benefits to participation. Working together and co-financing works. |

Source: Annual reports, unpublished EIF analysis and own interviews.

Appendix 4 The Guided Trade Initiative and the role of National Implementation Committees

Background

The Guided Trade Initiative (GTI), launched in Accra, Ghana on 7 October 2022, is a recent initiative of the AfCFTA Secretariat to encourage commercially meaningful trade under AfCFTA provisions. In addition to facilitating commercially meaningful trade, the GTI seeks to test the efficacy of the operational, institutional, legal and trade policy environment of the AfCFTA¹⁸.

The AfCFTA Guided Trade Initiative is open to all AU Member States, as soon as they satisfy the following minimum requirements:

1. being a State Party to the AfCFTA Agreement;
2. having a Schedule of Tariff Concessions (STCs) technically verified and approved by the Council of Ministers or being part of the Ministerial Directive on the application of Provisional Schedule of Tariff Concessions (PSTCs);
3. gazetting of STCs/PSTCs according to National laws;
4. establishing an ad-hoc or standing AfCFTA coordination committee for GTI;
5. mobilising and connecting businesses with other members of the GTI; and
6. notifying the Non Tariff Measures (NTMs) required for export and import.

In its commencement, the GTI provided companies from eight countries – Cameroon, Egypt, Ghana, Kenya, Mauritius, Rwanda, Tanzania, and Tunisia – the opportunity to trade (at least 96) products, which include ceramic tiles, tea, coffee, dried fruits, and batteries¹⁹. It is anticipated that the GTI will be reviewed annually to add more countries and expand the number of products that will be traded under AfCFTA provisions. There are also discussions to extend the initiative to trade in services.

Thus far, the GTI has spurred the export of goods among participating countries. For example:

- Benso Oil from Ghana exported palm kernel oil to Kenya, and Keda Ceramics exported tiles to Cameroon;
- Associated Battery Manufacturers, from Kenya, exported batteries to Ghana;

18 <https://au-afcfta.org/2022/09/the-afcfta-guided-trade-initiative/#:~:text=The%20specific%20objectives%20of%20the,to%20the%20African%20economic%20operators.>

19 <https://www.un.org/africarenewal/magazine/october-2022/afcfta%E2%80%99s-guided-trade-initiative-takes-set-ease-and-boost-intra-african-trade>

- Igire coffee limited, from Rwanda, exported coffee to Ghana.
- Kenyan Tea Development Agency exported tea to Ghana.

Despite the success in facilitating intraregional trade under the AfCFTA, the GTI does not cover agriculture or a range of manufacturing goods whose rules of origin, such as textiles, are yet to be agreed on²⁰. Some countries that are included in the initiative, such as Tanzania, have yet to agree on the products to be traded under the GTI.²¹

The success of the GTI in enhancing higher intraregional trade that spans more products and countries will largely depend on how the AfCFTA and yet-to-participate countries draw lessons from the front-runner countries (i.e., the initial eight).

Lessons from GTI for the roles of National Implementation Committees

There are at least four main lessons. A first lesson from countries trading under the GTI thus far is the crucial role of National Implementation Committees (NICs) in designing and implementing institutional and policy frameworks – e.g., National AfCFTA Framework and Action Policy – in the case of Ghana, to provide the foundation for the private sector to trade under the AfCFTA. Linked to the critical role of the NCOs in providing the institutional framework to support trading under the GTI is the design and implementation of a national framework or policy specifically on export development. Ghana’s National Export Development Strategy (NEDS), developed with the support of its AfCFTA NCO, is a notable example. Moreover, NCOs have supported companies in acquiring certificates of origin to trade under the GTI.

In general, specific examples of supportive actions by NICs in the success of the GTI thus far include:

- The Government of Ghana, with the support of its NCO, assisted 30 companies in acquiring certificates of origin to be able to participate in the GTI and, subsequently, the AfCFTA²²
- The NICs of Kenya and Rwanda, in connection with the East African Community (EAC), designed a schedule of tariff concessions for certain products, inclusive of those that are traded under the GTI²³
- NICs have also played an instrumental role in spurring the political will to support trade under the GTI, as (for example) was the case of the flagging off Kenyan tea to Ghana event that drew the support of the country’s president²⁴

A second lesson is that the private sector needs support on capacity building and market information to trade efficiently. The NCOs have a critical role in improving the private sector’s capacity and providing market information on trade opportunities and export procedures.

20 <https://odi.org/en/insights/the-afcfta-marks-a-milestone-in-its-implementation/>

21 Deadline set for views on Tanzania’s AfCFTA products | The Citizen

22 <https://www.graphic.com.gh/business/business-news/ghana-leads-in-quest-for-afcfta-benefits.html>

23 <https://www.kra.go.ke/images/publications/EAC-Vol.-AT-1-NO.-23-SEPTEMBER-2022.pdf>

24 <https://twitter.com/i/broadcasts/1vOxwMLVyLdGB>

A noteworthy example is Ghana's AfCFTA NCO, with the aid of ODI, which identified (an initial) 200 enterprises (one of which is Keda Ceramics) to build their capacities to boost their export competitiveness.

The third lesson is that logistics is still a significant constraint to intraregional trade, as the export of batteries from Mombasa (in Kenya) to Tema (in Ghana) took about six weeks²⁵. This also suggests that intraregional FDI will be a crucial complement to cross-border trade in goods and services in realising the appreciable benefits of the AfCFTA. To this end, supporting the stakeholders' negotiation and implementation skills on intra and extra-regional investment can be crucial²⁶.

Finally, to participate in the GTI, countries must have their tariff offers officially technically verified by the AfCFTA Secretariat, approved by the AfCFTA Council of Ministers, adopted by the AU Assembly and published in the AfCFTA E-Tariff Book²⁷. Moreover, the products to be traded shall satisfy the AfCFTA Rules of Origin as sets out in Annex 2 to the Protocol on Trade in Goods and in the Rules of Origin Manual²⁸. More specifically, since not all the legal instruments surrounding the AfCFTA have been agreed on yet, countries interested in participating in the GTI will have to adopt ad hoc customs procedures for cross-border trade in goods in accordance with the Directive, which calls for the application of Provisional Schedules of Tariff Concessions. In some instances, as was the case in Kenya, an ad hoc committee could be formed to facilitate trading under the GTI²⁹. To this end, to expand the GTI to cover more countries and products, it will be crucial to support countries in the capacities to design their tariff offers and complementary ad hoc trade procedures to be able to trade under the GTI and, subsequently, AfCFTA provisions.

With a fully implemented AfCFTA and in the presence of effective private sector capabilities and efficient trade-related infrastructure, intra-African trade is ready to take off. However, until then, a range of activities still need to be undertaken with a strong role of NICs:

- Countries need to be ready to trade under AfCFTA rules which means they need to **domesticate AfCFTA provisions**, eg adopting new customs schedules;
- Products need to have fully specified rules of origin which **AfCFTA negotiators** still need to finalise;
- Companies trading under these rules need to show that they satisfy **AfCFTA rules of origin, and such certificates can be obtained through the work of and training organised by NICs**;
- Companies need to develop **productive capabilities** and **value chain contacts** which can be supported through government activities.

25 <https://www.dw.com/en/africas-afcfta-free-trade-agreement-takes-baby-steps/a-63983721>

26 <https://set.odi.org/june-2020-negotiating-and-implementing-investment-policies-in-the-afcfta-online-capacity-building/>

27 https://etariff.au-afcfta.org/mapsearch?_ga=2.171314848.1248559271.1659169189-1054625137.1649408586&_gl=1*1ss29z9*_ga*MTA1NDYyNTEzNy4xNjQ5NDA4NTg2*_ga_JDBJ9FH8RJ*MTY1OTE2OTE4Ny4oLjEuMTY1OTE2OTIoMC4w

28 <https://etariff.au-afcfta.org/rulesoforigin>

29 <https://mfa.go.ke/president-ruto-flags-off-kenya-value-added-tea-to-ghana/>

Appendix 5 Status of implementation strategies and role of national implementation committees

UNECA, with the support of the European Commission and Global Affairs Canada, has undertaken a number of AfCFTA implementation strategies across the continent. Table A5 provides progress by October 2021. By then, some 16 countries were classified as “AfCFTA implementation strategies validated and implementation ongoing or to start soon”.

Table A6 updates on progress, by February 2023, some 27 countries and IGAD have validated implementation strategies.

Some important observations also follow. Many of the countries that are part of the guided trade initiative were also frontrunners in having validated implementation strategies including Cameroon and Kenya in the early batch, and Mauritius, Tunisia and Rwanda by February 2023. Countries such as Ghana and Egypt are not on the list of UNECA supported countries. Tanzania delayed on AfCFTA implementation strategies and have yet to identify products under GTI, but have made a stark turnaround since changes in President.

Our analysis of active NICs examines Ghana, Nigeria, Cote d’Ivoire, Rwanda, Kenya and all of these have validated AfCFTA implementation strategies. This suggests that if you are active in one issue, you may also be active in another. This match is not however 100%. For example, Zambia had a validated implementation strategy but is not part of the GTI or considered as having a best practice NIC.

Table A5 Status of interventions, ECA’s support to AU Member States to develop AfCFTA implementation strategies

| AfCFTA implementation strategies work at the inception phase | AfCFTA implementation strategies work at the drafting / consultations phase | AfCFTA implementation strategies validated and implementation ongoing or to start soon |
|---|--|---|
| Countries: Benin, Central African Republic, Equatorial Guinea, Eswatini , Guinea-Bissau, Liberia, Cabo Verde, Sao Tome & Principe, Seychelles, Somalia , Sudan, South Sudan, Tanzania RECs: ECCAS | Countries: Algeria, Burundi, Botswana, Chad, Comoros, Djibouti, Mozambique, Nigeria, Namibia , Rwanda, Mauritius, Tunisia RECs: EAC ECOWAS, IGAD | Countries: Burkina Faso, Cameroon, Cote d’Ivoire, DRC, Guinea, Malawi, Mauritania, Niger, Senegal, Sierra Leone, The Gambia, Kenya, Togo, Zambia, Zimbabwe |

Note: Countries and RECs highlighted in blue are being supported under GAC funding. The rest of the countries are being supported under the EU fund.

Source: UNECA, October 2021

Table A6 Status of UNECA supported implementation strategies

| Validated Strategies – 27 & IGAD | | Currently Drafting Strategies | Countries where Strategy is at inception Phase |
|---|---|--|---|
| <ul style="list-style-type: none"> ● <i>Burkina Faso</i> ● Burundi ● Cameroon ● Chad ● <i>Cote d'Ivoire</i> ● Comoros ● <i>Democratic Rep. of Congo</i> ● Djibouti ● Gabon ● <i>Guinea</i> ● Kenya ● <i>Malawi</i> ● <i>Mauritania</i> ● Mauritius | <ul style="list-style-type: none"> ● Namibia ● <i>Niger</i> ● Nigeria ● Rwanda ● Sao Tome & Principe ● <i>Senegal</i> ● <i>Sierra Leone</i> ● South Sudan ● <i>The Gambia</i> ● <i>Togo</i> ● Tunisia ● <i>Zambia</i> ● <i>Zimbabwe</i> ● REC: IGAD | <ul style="list-style-type: none"> ● Algeria ● Benin (<i>validate mid Feb</i>) ● Botswana ● Central African Republic (<i>validate March</i>) ● Eswatini ● Mozambique (<i>validate March</i>) ● Somalia ● Guinea-Bissau ● Liberia ● RECs: EAC, ECOWAS | <ul style="list-style-type: none"> ● Equatorial Guinea ● Morocco ● Libya ● Cabo Verde ● Seychelles ● RECs: ECCAS, UMA |

Source: UNECA, February 2023. Bold is part of GTI, italics is advanced status in October 2021

Appendix 6 Readiness of African countries to participate and lead on AfCFTA issues

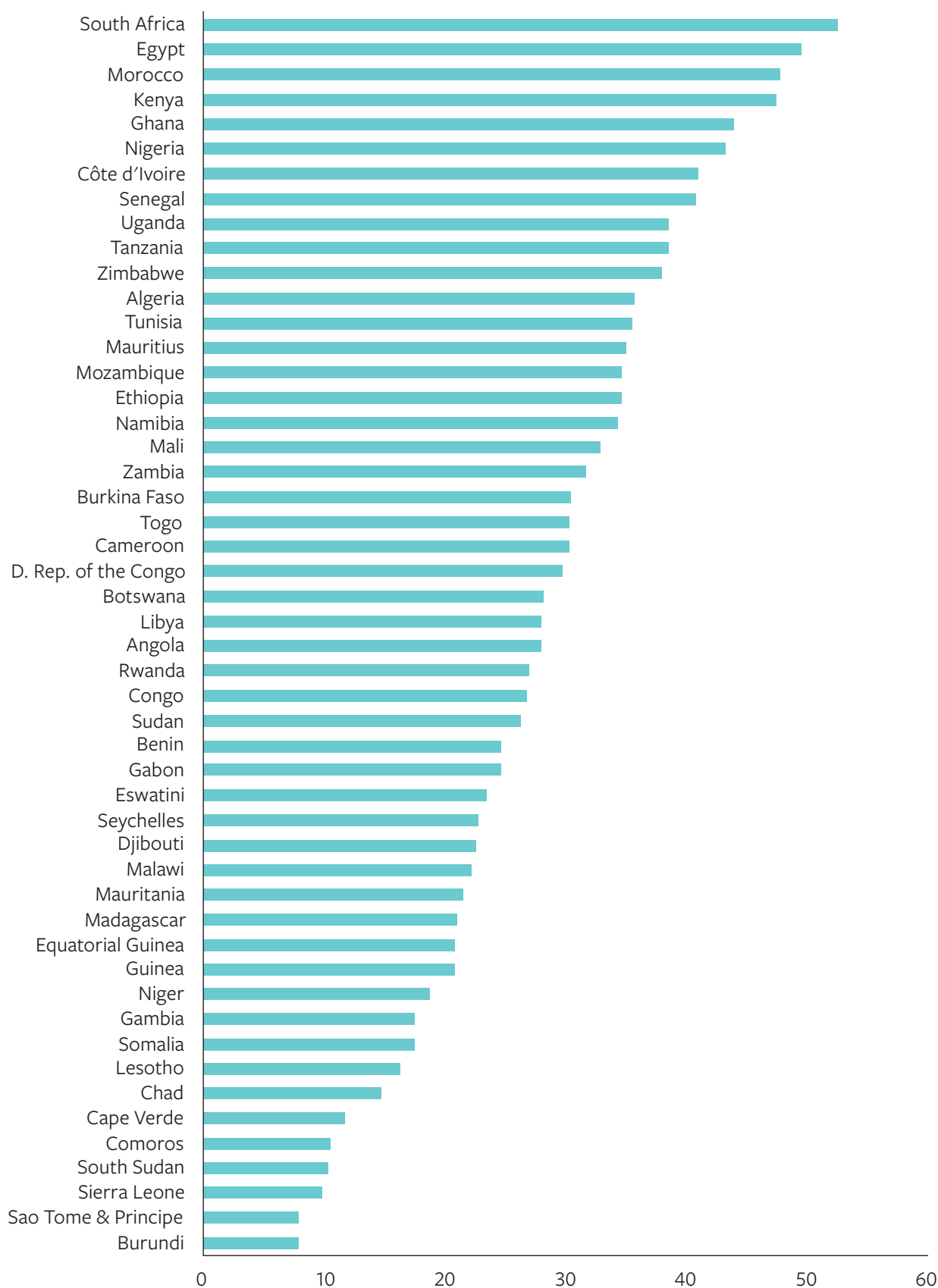
ODI (2021b) describes whether countries are taking part in regional and other international trade negotiations, by checking whether they had ratified AfCFTA (August 2021), a member of the WTO, a member of RECs; and concluded trade agreements with other countries. The countries that are most engaged in trade negotiations on these measures include Cameroon, **Côte d’Ivoire**, Egypt, Eswatini, **Ghana, Kenya**, Lesotho, Mauritius, Namibia, Seychelles, South Africa, Tunisia, and Zimbabwe. This includes three countries covered in this paper on NICs.

We also provide a ranking based on a composite index that encompasses several dimensions that reflect AfCFTA ‘leveraging potential’ at country level:

- Regional economic integration, as a measure of connectivity and movement of people, goods, and services by country. The Africa Regional Integration Index data for 2019 are used (ADB, AU and UNECA, 2020);
- Size of economy measured as GDP in 2020 to reflect each country’s economic importance (WB, 2021)
- Weight in intra-African trade, as a reflection of a country’s relative importance as a trade partner on the continent at present. The sum of imports and exports by country in 2020 is used (ITC, 2021);
- Weight of extra African trade in 2020, as a reflection of a country’s relative global trade reach (ITC, 2021);

ODI includes separate country ranking for each of these dimensions. Countries were ranked based on their performance in each dimension. The score rank in Figure A1 sums the rankings across all dimensions, with equal weight. The data suggest that key countries around for importance and readiness to participate in AfCFTA include South Africa, Egypt, and Morocco, followed by **Kenya, Ghana, Nigeria and Cote d’Ivoire** which are also the countries which have established national implementation committees.

Figure A1 Relative ranking of countries' integration in continental trade and potential for being leaders in AfCFTA implementation



Source: (ADB, AU and UNECA, 2020; ITC, 2021; WB, 2021)