The African Continental Free Trade Area: Challenges and Possible Successes

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Abstract

Free trade agreements have been known to have numerous benefits, especially from an economic point of view, however, it has been argued that for them to be successful, they ought to be complemented by a conducive socio-economic –and by extension political environment. Regrettably, the African Continental Free Trade Area agreement (AfCFTA) arrived at a time when Africa was economically and politically unstable; conflict and economic insecurity have exacerbated the lack of development in the contintent. As a result of the above, this paper seeks to understand how African states will navigate their various economic and, by extension, political interests in the hope of contributing to the success of the AfCFTA. Finally, the paper will answer whether Africa is ready for a free trade agreement by employing a qualitative

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research approach and reviewing current literature.

Keywords: Trade – Development – Africa – Socio-economic.

Resumen

Se sabe que los acuerdos de libre comercio tienen numerosos beneficios, especialmente desde un punto de vista económico; sin embargo, se ha argumentado que para que tengan éxito, deben complementarse con un entorno propicio tanto a nivel socioeconómico y, por extensión, político. Lamentablemente, el acuerdo del Área de Libre Comercio Continental Africana (AfCFTA) llegó en un momento en que África era inestable económica y políticamente; el conflicto y la inseguridad económica han exacerbado la falta de desarrollo en el continente. Como resultado de lo anterior, este documento busca comprender cómo los Estados africanos navegarán sus diversos intereses económicos y políticos con la esperanza de contribuir al éxito del AfCFTA. Finalmente, el documento responderá si África está lista para un acuerdo de libre comercio empleando un enfoque de investigación cualitativa y revisando la literatura actual.

Palabras claves: Comercio – Desarrollo – África – Socioeconómico.

Introduction

The pursuit of continuous and all-encompassing socioeconomic growth has seen nations participate in several forms of integration activities, ranging from economic, political, and, by extension, social. Nonetheless, Wonnacott (1996) argued that such initiatives (in the form of free trade agreements and market liberalization) have become synonymous within the developed world where there are mechanisms, such as the political will and the resources to ensure those initiatives are not only implemented but are also protected by constitutionalism and the principles of good governance. According to Zeiler (1998), the end of the Cold War provided countries with opportunities to spur development and one key initiative that was seen as important in realizing this was free trade, in which barriers and regulations hindering trade within regions should be removed and replaced by the free flow of goods and resources, which was seen as critical for developing regions and the need to ensure inclusive growth.

The continent is heavily reliant on imports as well as on commodity-based natural resource exports to meet its energy and food needs. Africa represented 2.8 percent of global trade volume in 2019, with intraregional trade accounting for 14.4 percent of overall continental trade volume in 2019. Countries in Africa have not yet established successful strategies for promoting long-term development and raising living standards in their own countries (UNCTAD, 2021). The lack of intra-regional trade has prevented African countries from fully exploiting the synergies and complementarities of their economies and reaping the benefits that greater market integration would have provided (such as increased income and employment opportunities) (Odularu & Adekunle, 2017).

However, while indeed Africa needs to increase intra-regional trade, surprisingly, regional states and the African Union (AU) have been rather slow in addressing structural challenges that have for decades hindered intra-regional trade. According to Olukoshi (2004), in addition to structural challenges, increased political differences have hampered trade in the continent. Issues of sovereignty, territorial integrity, lack of political will, fear of dumping goods, and competing hegemonic interests are all political issues that have hampered trade in Africa in a post colonial era.

Within the past 10,000 years or so, various African communities located in different topographies (e.g., the Sahara, Nile Valley, East and southern Africa) participated in trade and exchange relationships on various scales: local, regional, and intercontinental, as well as temporal and spatial (Chirikure, 2017 & Mostafa, 2012). Ancient trade routes crisscrossed the continent, many of the pathways for the movement of local and international commerce and enslaved people. African traders linked routes from the west coast to distant communities of the Nile and the Red Sea (Dumper, 2007). Similarly, trade routes traversed North and South, linking the Sahara with the savanna to the south, as well as to the remote regions of the continent.

Methodology

The objective of this paper is to examines the economic potential of the African Continental Free Trade Area (AfCFTA) and its associated challenges. It seeks to examine if the AfCFTA can have the potential to socioeconomically contribute to the development of the continent. To accomplish this, a review of literature was undertaken. The purpose of this approach was to broaden the understanding of the economic potential of the AfCFTA. There have been many studies (Charles, 2021; Sibanda, 2021; Odularu & Adekunle, 2017 and Simo, 2020) undertaken to understand the increasing need for a free trade agreement in Africa and how this will contribute to inclusive economic development for the continent. Some studies have also looked at the connotation between development and free trade agreements, hence there is a need to revisit the literature. Therefore, the vast availability of data and the employed research approach allowed the study to gather analysis, commentary, opinion pieces and scholarly contributions, hence this paper consulted a wide range of sources, thus the reasoning behind the use of this methodological approach. This paper is guided by the following research questions: Can the AfCFTA contribute to the socio-economic and collective development in Africa? Hypothetically, this paper argues that if the agreement can be correctly implemented and all stakeholders are on board and abide by its regulations, the AfCFTA has the potential to socio-economically change the lives of millions of people and increase Africa's trade footprint continentally and globally.

Intra-Africa trade: A colonial perspective

Between the 1870s and 1900, Africa faced European imperialist aggression, diplomatic pressures, military invasions, and eventual conquest and colonization (Kearns, 2006). At the same time, African societies put up various forms of resistance against the attempt to colonize their countries and impose foreign domination (Mentan, 2017). Ocheni & Nwankwo (2012) revealed that when we talk about colonialism from an Afrocentric perceptive, one talks about a phenomenon that took place between the 1800-1960s. It is a phenomenon that is part and parcel of another phenomenon called imperialism. Colonialism is a direct form of imperialism. Therefore, it is often said that "all colonialism is imperialism, but not all imperialism is colonialism" (Ocheni & Nwankwo, 2012, p.46).

Colonialism in Africa has always been seen because of changes in the mode of production in Europe (for example, the emergence of the industrial revolution). The industrial revolution ushered in a new process of production in place of the earlier slave-based economy and thus the European economies needed raw materials to fuel this industrialisation, which eventually led to the colonization of Africa (Ocheni & Nwankwo, 2012). However, trade in Africa, in comparison to trade in a pre-colonial era, changed drastically as colonisers instilled their laws, and regulations relating to trade and what ought to be traded. This sudden change then eroded the peaceful livelihoods that were once enjoyed by Africans and subsequently led to the end of interstate relations which were forged via trade. Austin (2015) explained that colonial rule was the result of competition among European countries for control of African resources, additionally, colonialism also made African trade to be mainly export-import oriented. It integrated African trade and economy prematurely into the world market and international trade. Guyo (2017) demonstrated that while, initially, the key was to work with Africans within the sphere of development, nonetheless, towards the end of the 19th-century, colonial governments began to play a more active role in the affairs of African societies. Different colonial governments adopted different methods of rule. Towards the end of the 19th Century and during the early 20th Century most African countries were under colonial rule, except for Liberia and Ethiopia (Pal, 2005).

This control disrupted trade patterns and routes within Africa. For example, intra-regional trade in cattle and maize was drastically overlooked, rather, European countries used colonies to supply their industries with raw materials, additionally, the colonial rule also ensured that European manufactured goods would have a ready market in Africa (Ocheni, & Nwankwo, 2012). This assertion was further captured by Walter Rodney who argued that "underdevelopment is a condition historically produced through capitalist expansion and imperialism, and very clearly not an intrinsic property of Africa itself" (Aseka, 1993, p.203). Rodney (2010) expounded that the "development" of African societies was thwarted in this process of capital expansion, first and foremost through the lost labor potential due to the slave trade (Lonsdale, 1981). From its economic foundation in slavery, the range of exports from Africa narrowed to just a few commodities, undermining the development of the productive capacity of Africa itself. These trade relations meant that technological development stagnated, creating a barrier to innovation within Africa, even in regions not directly engaged in the slave trade (Rodney, 2010). The lines of economic activity attached to foreign trade were either destructive, as slavery was, or at best purely extractive (Wengraf, 2018). Supporting the above claim, Settles (1996) contended that intra-Africa trade within the period of colonialism was utterly disrupted and not seen as essential for the development of Africa. Makambe (1994) highlighted that colonial policy heightened exploitation, such as those preventing Africans from growing cash crops, leading workers into forced labor, such as building infrastructure to facilitate resource extraction. Thus, capital accumulation was derived at the expense of greatly weakened African states and economies, effectively reversing previous development. Therefore, one may conclude that the colonialisation in Africa could be seen most decisively in the appropriation of land for European settlers or plantations, a strategy used not only to provide European investors and settlers with cheap and secure control of the land but also to oblige Africans to sell their labor to European farmers (Austin, 2010). Colonialism was never about Africa's development or enhancing African trade regionally rather, it was about serving the interests of Europeans and their industrialization ambitions. However, Lonsdale (1981) argues that the periods of decolonization between 1945 and the 1970s saw numerous

African states gain autonomy or outright independence from their European colonial rulers. Nevertheless, these celebratory feelings have been short-lived, mainly because former colonial states are today, still in some way or the other, in control of Africa's socio-economic and by extension political direction. With the above deliberation, therefore it becomes imperative to understand how intra-Africa trade has evolved since colonialism, its successes, barriers, and to ask the question, has Africa released itself from the chains of colonialism and prioritised the consolidation of intra-regional trade?

Intra-Africa trade in a post-colonial period

The decolonisation of Africa marked a turn of events for African states. These events were marked by the need for African unity, development, and social cohesion. Africa has been integrating along various dimensions for the past 60 years. In the first phase, during the 1960s and 1970s, inward-looking integration reflected the desire to develop independently from the former colonial rulers. Economic unification was to be the solution to Africa's development dilemma, and many thought that this required a political union (African Development Bank, 2019). Additionally, Jason (2010) showed that this period coincided with African countries urgently seeking to re-establish their socio-economic ties and, by extension, decision-making authority, hence African states placed great need on regional integration as means of spurring socio-economic development. Subsequently, African states forged ahead with ways to realize this goal. This included forging new trade relations with countries internationally, the creation of regional economic communities (RECs), and the creation of inter-state diplomatic relations (African Development Bank, 2019). All these developments had one goal in mind, to ensure Africa can relinquish the chains of colonialism and forge ahead with an Afrocentric development agenda. Starting in the

1980s, initiatives entered a second, more outward-looking phase of RECs under the Abuja Treaty, which became operational in 1994 (African Development Bank, 2019).

This state was characterised by the creation of regional economic communities. Fundamental to their creation and consolidation of regional economic communities was the need to remove tariffs and nontariff barriers, implement trade facilitation measures and harmone rules of origin when several RECs are included, as in the Tripartite Free Trade Area, which brings together the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA), the Southern African Development Community (SADC), and now the AfCFTA (UNCTAD, 2018 & African Development Bank, 2019). It is worth noting that the creation of The Organization of African Unity in 1963 and The Lagos Plan of Action and Final Act of Lagos in 1980 were all devoted to the economic problems in Africa. Musiitwa (2016) demonstrated that despite Africa investing tremendous resources and political will to increase intra-African trade, it has not reached the point in which one would have anticipated, as there are considerable barriers that are hindering trade development in the continent. The United Nations Conference on Trade and Development (2019) revealed that the share of exports from Africa to the rest of the world ranged from 80% to 90% in 2000 –2017. The only other region with a higher export dependence on the rest of the world is Oceania. However, the disturbing factor is the statistics behind intra-Africa trade, intra-African exports were 16.6% of total exports in 2017, compared with 68.1% in Europe, 59.4% in Asia, 55.0% in America and 7.0% in Oceania (UNCTAD, 2019).

However, while some argue that intra-Africa trade is low, however, there are those who hold a different view; for example, Tafirenyika (2014) communicated that a big chunk of the continent's trade is conducted informally and at times across porous borders. Most borders are often poorly managed or informal trade statistics are simply not included in the official flows recorded by customs officials. The World Bank stated that trade-in Africa remains low, this was echoed by the council for foreign relations which argued that only 15 percent of African exports go to other African countries, compared to intra-trade levels of 58 percent in Asia and 67 percent in Europe (Council on Foreign Relations, 2019). High tariffs and colonial-era infrastructure make it easier for African countries to export to Europe or the United States than to each other. Furthermore, overlapping membership in Africa's eight RECs hinders trade standardisation and enforcement.

When one looks at documents, policies and protocols relating to trade in Africa (within the AU and RECs), there is a strong commitment by countries to increase trade and ensure trade liberalization. However, when one observes the practical implementation of these policies and protocols, it becomes observable that African states have not only failed to increase intra-regional trade but have also failed to collectively deal with barriers which are hindering trade facilitation within a continental perspective. Moreover, despite some regions having relaxed some tariffs on regional goods (SADC for example), not all goods flowing between regions have been exempted. This has led to the conclusion that there is a lack of political will to implement agreed obligations.

Africa has huge potential for trade, especially considering the role that can be played by RECs. Most of the African trade in RECs takes place either within communities (intra-regional economic community trade) or with another community, rather than being fairly distributed across the remaining communities (inter-regional economic community trade). Trade interactions among the eight communities tend to be concentrated among a few groups, and there is scope to enlarge inter-regional economic community trade. Additionally, UNCTAD (2019) contended that building industrial productive capacities and competitiveness takes time. In the short term, therefore, overly restrictive rules of origin (requiring a large portion of inputs to be sourced from within a regional trade area or imposing several stages of transformation to allow member countries to qualify for reduced duties) can deter regional trade or create trade diversion, that is, divert trade from less expensive suppliers from outside a regional trade area to costlier supplies within; thus, there is a great need to reduce barriers (Tafirenyika, 2014). Besides, rules of origin should be less restrictive and less complex at the initial stages of implementation of the Agreement establishing the AfCFTA, as many member countries have weak institutional capacities, low levels of competitiveness and limited capabilities to participate in regional value chains due to insufficient productive capacity. Furthermore, to increase continental trade, UNCTAD (2019) claimed that integration requires cooperation between governments and the people: to foster peace and security, conserve shared natural resources, develop, and manage regional infrastructure, and share systems of rules and policy regime and his level of integration. As proposed by the AfCFTA, it requires some form of supranational delegation of authority.

The need for trade integration in Africa

To understand the need and desire to consolidate trade integration in Africa, one needs to understand the processes and policies that gave rise to this need.

The Lagos Plan of Action

Africa represents a region that faces economic problems of the utmost severity. Informally known as the Lagos plan, the Lagos Plan of Action (LPA) for the Economic Development of

Africa (1980–2000) was a plan backed by the Organization of African Unity born out of the need to establish an African social and economic order primarily based on utilizing to the full the region's resources in building a self-reliant economy (United Nations, Economic and Social Council, United Nations Economic Commission for Africa. 1991-03). A parallel objective was the establishment of an African Economic Community by the beginning of the twenty-first century. The LPA aimed to minimize Africa's links with Western countries by maximizing Africa's own resources by increasing trade and consolidating relations between African states. In adopting the LPA and the FAL (Final Act of Lagos), it was recognized that national governments were to be responsible for implementing these strategies in their respective development plans (Economic and Social Council, 1991). However, regional bodies like the Economic Commission for Africa (ECA), the Organization of African Unity (OAU), and others would have the task of giving technical assistance to member states. Ikome (2004) stated that if the objectives of the LPA had gotten support from all states, it would likely have resulted in increased continental trade and growth in the inflow of foreign direct investment, and, socioeconomically, would have lifted millions out of poverty. However, even though the plan was noble in its development, many challenges were bound to hinder its effective implementation and operation. For example, the main problems confronting Africa in natural resource development included lack of information, lack of adequate capital, and excessive foreign dependence. Moreover, this paper argues that the plan did not take into consideration the different levels of economic development in Africa, and how this was going to hamper the quest to ensure collective development.

In addition, Aremu (2010), argues that the social climate in Africa has not changed; in fact, one may argue that it has worsened, as scattered conflicts (ethno-religious), political and governance instability, terrorism, a break- down in transparency and accountability, poverty, inequality, and unemployment are issues that have made it difficult for the LPA to fulfil its promises.

The Abuja Treaty

The LPA was one of the instruments that were established to reinvigorate Africa's development. The Abuja Treaty, which gave rise to the establishment of the African Economic Community was adopted on June 03, 1991, and came into force on May 12, 1994 (Parliamentary Monitoring Group, 2020). The treaty has been signed by all member states of the OAU, except Eritrea. South Africa signed the treaty on 10 October 1997. Just like the PLA, the Abuja Treaty put great emphasis on the need to foster the social, economic, and cultural development of the African continent through the integration of the economies of the various countries. The Abuja Treaty argued that, for continental development, RECs had to be at the center of the process. The treaty argued for the liberalization of regional and intra-regional trade, the harmonization of activities undertaken by RECs, the establishment of free trade areas, and a customs union at REC level, finally aiming at achieving both a monetary and economic union, leading to the establishment of an African Economic Community (Oppong, 2010). Important principles which gave rise to the Abuja Treaty included the declarations and resolutions adopted by the OAU Assembly in Algiers in September 1968, and in Addis Ababa in August 1970 and May 1973 which argued that the economic integration of the continent was a pre-requite for the realization of the objectives of the Organization of African Unity, in 1997. Other considerations in the creation of the treaty were the decision taken in Libreville by the Council of Ministers in 1976 concerning the establishment of an African Economic Community, and the Lagos Plan of Action which reaffirmed Africa's continued efforts to integrate (United Nations Economic and Social Council, United Nations Economic Commission for Africa, 1991-03). However, the question arose as to whether the goal of the Abuja Treaty could be realized, considering existing legal and institutional frameworks as enshrined in both the Abuja Treaty and the Constitutive Act of the African Union. Article 88 (1) of the Abuja Treaty expressly states that the Community shall be established mainly through the coordination, harmonization, and progressive integration of the activities of RECs. The Treaty has at times been met with feelings of skepticism. For example, the African Union (2014) argued that while paragraph 3 of Article 88 of the Treaty stipulates those processes such as coordination, harmonization, and the evaluation of existing and future RECs shall be entrusted to the community, while welcomed, are essentially aspirational. There are several reasons for this. Firstly, the legal framework for economic integration can be examined at both regional and continental levels. Regionally, African states belong to and are coordinated by RECs (Oppong, 2010). Eight of these RECs are recognised by the African Union as both legal and institutional frameworks for attaining regional integration objectives. However, these legal and institutional frameworks differ greatly in terms of their effectiveness between one REC and another. As a result, there is a lack of synergy between the regional and continental legal and institutional frameworks that ought to drive integration. Additionally, certain weaknesses in the protocols adopted by RECs have been acknowledged. In some cases, protocols lack complementarity across RECs, take too long to negotiate, and are often not signed, ratified, and implemented by all member States (African Union, 2014). The high number of RECs coupled with the issues of overlapping memberships gives rise to the fragmentation of economic integration. Another inherent weakness is the inability of the Abuja Treaty to prevent member states from belonging to more than one regional economic community. On this issue, the African

Union (2014) concludes that in the African integration context, the privilege of sovereignty, and efforts to guard it by member states, seem to have led to the construction of an institutional structure that is not cohesive and is lacking in the supranational scope needed to effectively drive integration.

New Partnership for Africa's Development (NEPAD)

The NEPAD was adopted by African states and the government of the OAU in 2001 and aimed at addressing pressing issues hindering the development of the African continent. NEPAD was ratified by the AU in 2002. The key principles of NEPAD are to empower women, reduce the marginalization of Africa, reduce poverty, and put Africa on a sustainable path toward collective development (Landsberg, 2012). The NEPAD has been central in the African Union's strategy to allow Africa to take full control of its development agenda, to work more closely together, and cooperate more effectively with international partners. Key themes of the NEPAD include Agriculture and Food Security, Climate Change and Natural Resource Management, Regional Integration and Infrastructure, Human Development, Economic and Corporate Governance, and Cross-cutting Issues including Gender, Capacity Development, and ICT (Links and De Gama, 2002). However, while NEPAD is aimed at addressing pressing developmental issues in Africa, it too, just like the PLA and the Abuja Treaty has faced considerable challenges which to some extents have hindered its effectiveness. For example, NEPAD was challenged in terms of forging new partnerships, unstable government systems, dismantling trade barriers, the lack of investment in human capital, and the eradication of colonial mentality (Khati, 2006). However, there are also collective gains that have been made by the NEPAD, as argued by the UNCTAD (2012). One of the areas in which the NEPAD has made some progress is agriculture. Through the Comprehensive Africa Agriculture

Development Program (CAADP), NEPAD is slowly laying the foundation for higher agricultural productivity and output in Africa. NEPAD also put Africa on the global agenda and has galvanized international support for the region. As a result of the adoption of NEPAD, the Group of Eight (G8) launched the Africa Action Plan in June 2002 and made commitments to support the implementation of NEPAD. NEPAD has also made some progress in economic and political governance. According to the 2011 African Economic Outlook, the economic environment in several countries in the region has improved, particularly in areas such as tax reform, access to credit, and enforcement of contracts. However, despite these achievements, the NEPAD failed to achieve its goal, mainly because of capacity constraints, lack of financial resources, coordination problems between the NEPAD secretariat and the RECs, weak infrastructure, and the absence of quantifiable benchmarks for monitoring and evaluation (Economic Commission for Africa, 2007).

The Berg Report

The quest to consolidate African development was also reflected in the findings and recommendations of the Berg report. The report was put together by American economist Elliot Berg after a request by African governors in the World Bank in 1979 to review sub-Saharan Africa's (SSA) economic prospects (Sender and Smith, 1985). The focus of the report was on the persistence of the balance of payment deficits. While the report acknowledges that external factors and unfavourable trading conditions contributed to underdevelopment in SSA, it also revealed that the slow rates of African exports beginning in the 1970s were the major contributing factor (Collier and Gunning, 1999). There was a need for Africa to move away from state-run economies and adopt a free market system. This would in turn increase African exports and allow for the inflow of foreign direct investments. Berg denounced the corruption and bureaucracy in the continent and argued for a smaller role for government in the economy and a greater degree of involvement of private industry (Chrismoffat, 2015). The report followed the 1980 Lagos Plan of Action. However, it was not welcomed with open arms and was criticized for how it observed policy shortcomings as the major cause of underdevelopment. Another critique was how the report downplayed the role of external factors and how they shaped the economic direction and policy development of economies in SSA. For example, the 1979 energy crisis was bound to have a ripple effect on development, as was indeed the case in SSA. Moreover, the report focused on consolidating a free market system for SSA economies and did not take into consideration the structural inequalities that existed in SSA states; hence, a 'one size fits all approach was not seen as the immediate answer.

The lack of coordination between legal and institutional frameworks governing regional economic communities and continental integration has become an observable stumbling block. To rectify this, there is an underlying need for the rationalisation of the RECs. The African Union (2014) noted that analysts and policymakers had called for the rationalisation of the activities and programmes of RECs, which the AU worked on, and which culminated in two studies geared towards finding a lasting solution. For example, from a regional perspective, rationalisation has also been demonstrated by the EAC-COMESA-SADC Tripartite Arrangement, which it is hoped will be emulated by other RECs. The African Union argued for the urgent need to rationalise RECs. If this is done effectively, RECs would expand Africa's economic and market space for production and investment, strengthen the performance of the regional economic communities, protect the geographical viability of the regional economic communities, expand Africa's economic and market space for production and investment and develop transitional measures to gradually replace the current institutional arrangements (Oppong, 2010). However, the process of rationalization itself will not be an easy challenge, given the excessive overlap in regional economic community membership, the duplication of programs, underfunding, and the inability to attract staff. From a national perspective, there seems to be little support for regional economic communities, characterised by little translation of regional economic community goals into national plans and budgets, poor implementation of agreed programs, obstacles to the movement of people across borders, weak legislative processes for integration, poor fulfillment of financial obligations to the regional economic communities, unclear views of the costs and benefits of integration, and growing private sector participation but almost no popular participation (Oppong, 2010). For rationalisation to be effective, regional economic communities need to follow a well-articulated framework that ensures congruence and convergence toward full integration of the continent. This could be done by broadening the economic and market space for investment, ensuring geographical viability, strengthening efficiency, aligning vision with the African Union and the New Partnership for Africa's Development, maintaining clarity and credibility, and sharing responsibility.

The African Continental Free Trade Area, Trade and Socio-economic development

In line with the AU's Agenda 2063 of economic integration on the African continent, the African Continental Free Trade Area was conceptualised and subsequently endorsed as an action plan to boost Intra-African Trade at the 18th Ordinary Session of the Assembly of Heads of State and Government in 2012. Subsequently, the Agreement establishing the agreement came into force on 30 May 2019. The AfCFTA is the first agreement of its kind to bring together all 55 African countries under a single FTA (South African Revenue Service, 2021). This agreement creates a common market for goods, services and investment and allows for free movement of persons in the continent. The AfCFTA is one of several AU frameworks supporting the Abuja Treaty's end goal, the establishment of an African Economic Community (AEC). The vision for the AEC coincides with the continent's uniformed approach to fiscal, social, and sectoral policies, and is part of the AU's broader development frameworks designed to boost intra-African trade and establish continental customs union (World Bank, 2020). The AfCFTA follows the establishment of the Tripartite Free Trade Area (TFTA), a free trade area between COMESA, SADC and the EAC. It aims to bridge regional divisions by building on the TFTA's regional industrial development policies and strengthening trade among the various RECs, with the aim of incorporating all African economic blocs under standardized rules and regulations (Boateng & Dankyi 2020). The AfCFTA considers RECs as building blocks of the ultimate African Integration Agenda (Abimbola, 2021). While individual states that are part of the AfCFTA will be able to continue implementing existing free-trade agreements, RECs that have advanced significantly in their integration agenda will continue to apply the rules they had agreed upon. In a nutshell, the agreement provides an African-based framework as an alternative to the traditional World Trade Organization (WTO) framework. Countries that trade with each other under WTO rules are to start trading instead under AfCFTA rules, now that it is in effect (Abimbola, 2021).

The agreement further entails deep and comprehensive trade agreements, including investments, intellectual property rights, and competition laws (African Union, 2018). The AfCFTA portends dramatic opportunities for the continent, it will reduce tariffs among member countries and cover policy areas such as trade facilitation and services, as well as regulatory measures such as sanitary standards and technical barriers to trade (Zubane, Mlambo & Shoba 2021). The full implementation of AfCFTA shall reshape markets and economies across the region and boost output in the services, manufacturing, and natural resources sectors (World Bank, 2020).

The African Union indicated that the objectives of the AfCFTA are as follows:

- Initiating a single market
- Deepening the economic integration of the continent establish a liberalised market through multiple rounds of negotiations
- Promoting the movement of capital and people
- Facilitating investment
- Moving towards the establishment of a future continental customs union
- Achieving sustainable and inclusive socio-economic development
- Encouraging gender equality and structural transformations within member states
- Enhancing competitiveness of member states within Africa and in the global market
- Encouraging industrial development through diversification and regional value chain development
- Enabling agricultural development and food security and resolve challenges of multiple and overlapping memberships (Africa Union, 2018).

The first day of trade in commodities between various African nations under the aegis of AfCFTA was January 1, 2021. Pending the delay by other state parties on the adoption of fundamental annexes to the trade agreement protocol, the latter is presently limited to states that have ratified the AfCFTA. Amid high expectations envisaged on the AfCFTA, one of many questions of interest is the extent to which it will enhance trade within Africa. The World Bank (2020) communicated that AfCFTA "connects 1.3 billion people across 55 countries, with a combined Gross Domestic Product (GDP) valued at US$3.4 trillion" (p. 1). The benefits of the AfCFTA are expected to translate to socio-economic gains within the context of the African continent. The agreement promotes the improvement of Africa's trade-related infrastructure, through initiatives like the AU's Program for Infrastructure Development in Africa (PIDA), a program aimed at improving regional and continental infrastructure in transport, energy, Transboundary Water Resources (TWR), and ICT (African Union, 2020). The completion of all PIDA projects will establish transnational transport corridors and telecommunications networks, improve regional energy supply, and developing functioning transboundary water management which is key for sustainable inclusive economic growth and facilitates cooperation between African countries (PIDA, 2020). In addition, Apiko, Woolfrey & Byiers (2020) cited the need to improve digital connectivity, given the increased attention on e-commerce in Africa. In tandem with PIDA, the expected economic growth from the AfCFTA would create among other things, new job opportunities, increase wages with larger gains for unskilled workers and women by increasing employment opportunities for women and helping to lower the gender wage gap, thereby having a positive impact on poverty reduction and gender inequalities (African Bank Development, 2021).

More significantly, AfCFTA includes a strong momentum for political integration and collective actions of African nations on the global level. Unlike the WTO, the AfCFTA offers an opportunity for African countries to begin speaking as one on trade-related issues (Abimbola, 2021). Unfortunately, it was unavoidable that the impact of the COVID-19 pandemic would harm Africa's economic activities, thus the integration program. For the year 2020, an estimate of about $125 to $154 billion additional gross finance injection was required to respond to the crisis. Although the impact of this pandemic was largely felt in the year 2020, Africa may still recover and continue to thrive towards its integration objectives (The African Development Bank, 2021). Much is to be desired on the success of the much-needed Free Trade Agreement. Ultimately, the success of the AfCFTA depends on African states not only ratifying, but fully implementing and complying with the AfCFTA. African states ought to introduce complementary enabling policies, which should encourage business and attract investment.

Free trade agreements from a global perspective: What can Africa Learn?

Nations should examine and assess their present FTAs in terms of benefits to various stakeholders such as industry and consumers, trade complementarities, and changing trade patterns over the previous decade before entering into any multilateral trade deal (Saraswat, Priya and Ghosh, 2018). To guarantee seamless economic and political integration in the Africa region, Africa must understand the trade dynamics in African nations. Mortensen (2017) argued that European Union trade agreements require a stronger involvement for civil society in both the planning and follow-up phases. Civil society must participate in this process and should be encouraged in Africa since it promotes social sustainability and may improve legitimacy and enable more transparency. Between 1990 and 2015, shifting various macroeconomic conditions influenced the proportions of nations and continents in global commerce, which reflected their changing economic status. During this time, European and North American nations were among those whose economic activity was declining. To enhance economic activity, the EU and the

US acquired substantial comparative advantages in trade in the product categories that corresponded to their largest shares in global exports and produced a high level of economic activity (Pawlak, 2015). Africa should capitalize on its comparative advantages to achieve a favourable export specialisation profile and enhance Africa economic activity.

According to Xiang and Han (2017), China and Russia, as members of the BRICS, play a critical role in global economic development. China is the world's largest trade nation and Russia's top trading partner. In the context of economic development and regional cooperation, encouraging the creation of a Sino-Russian free trade zone embodies mutual trust, equality, and mutual support, and it is also critical to strengthen the China-Russia strategic partnership. The trade relations between China and Russia have a lot of room for improvement, especially following the development and advancement of the "Belt and Road" initiative plan, as well as the establishment of a Sino-Russian free trade zone. African nations must foster mutual trust, equality, and support, as well as improve the AfCFTA's implementation and economic and political integration throughout the continent. Infrastructure development in African countries has also been identified as a barrier to free trade; therefore, African countries must prioritise infrastructure development and investment to ensure that the AfCFTA is implemented successfully. AfCFTA must be viewed by African countries as a strategy that will benefit all member states, and all countries must work together successfully to improve the African economy through increased free trade.

Concluding Remarks

While Trade-in Africa has always been prevalent, intra-African trade has always existed in principle but has not increased the flow of goods regionally. Given the implementation of the AfCFTA, it is pivotal to note how regional economic trade i.e., SADC, ECOWAS & COMESA inter alia, contributed towards the achievement of the ultimate African Free Trade Area Agreement. This marks the first biggest multilateral arrangement in the history of the continent. Therefore, there is much to be desired with regards to how many African states could accelerate trade and maximise their benefits from this agreement. Indeed, Africa has come a long way in dealing with trade obstacles and as a result of their efforts to establish the AfCFTA, Africa is on the correct track to improving the socio-economic standards of many Africans. This paper recommends that African states must move swiftly in putting in place complementary policies and align their economies with the AfCFTA. However, from the above discussion, it becomes important to note the increasing need for the rationalisation of regional economic communities in Africa. For the AfCFTA to succeed, it cannot only rely on political will, rather there is a strong need for a well-functioning and synchronised legal and institutional framework (both regionally and continentally). Africa's quest for integration dates back to the formation of the Organisation of African Unity and the emergence of the African Union. Instruments to support such integration such as the Abuja Treaty, The Lagos Plan of Action, and the New Partnership for Africa's Development have become central in Africa's quest for trade and economic integration, notwithstanding their challenges. However, the misalignment between legal and institutional frameworks works against this integration, and this, coupled with the problem of overlapping memberships in these regional economic groupings also brings about coordination problems, especially at a continental level. While Africa stands to effectively gain from this agreement should it be implemented effectively, without the rationalization of legal and institutional frameworks of regional economic communities and those of the continent, trade integration will continue to witness challenges like those experienced under the OAU and AU. Additionally, trade development and integration require investment in infrastructure, which will ensure that the continent realizes its full potential for free trade. Without the rationalization of regional economic communities, harmonisation, and coordination between RECs and conditional organs mandated to consolidate trade integration, African states will struggle to fully reap the rewards associated with integration.

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