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AYA AFRICA WELCOMES THE FIRST SHIPMENT UNDER THE AFRICAN CONTINENTAL FREE TRADE AREA (AfCFTA)

There is a tendency for African institutions and governments to move at an incredibly slow pace, if at all, on agreed policy initiatives at country and continental levels. This has fed into the general frustration and apathy that ordinary Africans feel towards those who govern them. This outlook is pervasive from Cape Town to Cairo and Accra to Mombasa, with Africa's youth being the victims of inaction and the current status quo. This scenario is compounded by a political elite who have long run out of ideas and have overstayed their welcomes in positions of power.

Despite this bleak assessment, it seems, positive changes are afoot for the mechanics and architecture of Africa's trade policy and the facilitation of intra-African trade. Intra-Africa trade has been performing below sub-par since the winds of change prompted the domino effect of countries embracing and fashioning independence in their own image. However, the independence dividend has rarely made a dent in the lives of ordinary people.

This scenario has not been helped by the fact that independent African countries have repeatedly failed to move from a fragmented and balkanized worldview to actualising genuine integration of Africa and the diaspora through trade, political organisation and cultural exchanges. The greatest obstacle to genuine integration beyond bad governance and policy inaction, is the continent's inherited borders, which were never of Africa's making. But the tide of apathy seems to be slowly turning.

On Friday 23 September 2022, Africans demonstrated that when we decide to organise ourselves around key strategic objectives, practical steps towards progress can take place. On the aforementioned day, which came with a fair degree of pageantry and press coverage, a shipment from Kenya's Associated Battery Manufacturing EA Ltd of exide batteries was successfully delivered to Yesudem Company Ltd, at Tema Port in Ghana.

The successful shipment of exide batteries forms part of the African Continental Free Trade Area (AfCFTA) Facilitated and Guided Trade Initiative as per a decision made by the African Union's Council of Ministers on 27 July 2022. The selected countries of the initiative are Cameroon, Egypt, Ghana, Kenya, Mauritius, Rwanda and Tanzania.

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According to the AU Council of Ministers, the purpose of the initiative is for the aforementioned countries to start engaging in business without being subjected to tariff barriers. (To get additional information and updates on the progress of the ratification process and tariffs of the AfCFTA and updates, please visit the Trade Law Centre)

This simple act has empowered established businesses and budding SMEs to operate beyond the confines of the state and in an open and transparent manner. However, the time for pageantry and rhetoric must come to its natural end and the hard work of preparing businesses to operate under the AfCFTA must commence immediately.

According to the World Economic Forum, AfCFTA has the potential to increase intra-African trade from 18 percent across the continent to 50 percent by 2030. This can only be achieved with tariff policy certainty and a range of stakeholders which include departments of trade, investment and industry, business schools, chambers of commerce, retailers, manufacturers, quality assurance providers, digital marketplaces and concerned citizens getting the message out to their networks, be they local, regional, national or international in nature. Businesses need to be educated, upskilled, do their homework on their target markets and be export-ready according to the AfCFTA rules. The point here is that businesses become proactive as opposed to reacting to policy announcements.

Aya Africa welcomes the good news and will continue working with a range of partners and particularly SMEs, to achieve the vision of AfCFTA. We will continue advocating and spearheading initiatives that make trade between countries more seamless for ordinary businesses without institutional or hefty financial backing. We hope others will follow suit.