40 BRIEFING PAPER

The African Continental Free Trade Area – From Rules on Paper to Trade in Practice?

Bernhard Tröster, Melike Döver, Robert Kappel

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Austrian Foundation for Development Research – ÖFSE
A Austria, 1090 Vienna, Sensengasse 3, **T** +43 1 3174010, **F** -150
E *office@oefse.at*, **I** *www.oefse.at*, *www.centrum3.at*

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List of Abbreviations

ACTReF	African Technical Regulatory Framework
AfCFTA	African Continental Free Trade Area
AFIRM	AfCFTA Implementation Review Mechanism
APRM	African Peer Review Mechanism
AU	African Union
CEMAC	Economic and Monetary Community of Central Africa
CET	Common External Tariff
COMESA	Common Market for Eastern and Southern Africa
EAC	East African Community
e-CO	(Continental) Electronic Certificate of Origin
ECOWAS	Economic Community of West African States
FDI	Foreign Direct Investment
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GTI	Guided Trade Initiative
GVC	Global Value Chain
HS	Harmonized System (of tariff nomenclature)
IP / IPR	Intellectual Property / Intellectual Property Rights
ISDS	Investor–State Dispute Settlement
LDC	Least-Developed Country
MFN	Most-Favored-Nation (treatment)
MRA	Mutual Recognition Agreement
NIC	National Implementation Committee
NTB / NTM	Non-Tariff Barrier / Non-Tariff Measure
OAU	Organisation of African Unity
PAPSS	Pan-African Payment and Settlement System
PSTC	Provisional Schedule of Tariff Concessions
PTS	Protocol on Trade in Services
REC	Regional Economic Community
RoO	Rules of Origin
RVC	Regional Value Chain
SACU	Southern African Customs Union
SADC	Southern African Development Community
SITC	Standard International Trade Classification

SPS	Sanitary and Phytosanitary (measures)
STRI	Services Trade Restrictiveness Index
TBT	Technical Barriers to Trade
TFA	(WTO) Trade Facilitation Agreement
UNCTAD	United Nations Conference on Trade and Development
UNECA	United Nations Economic Commission for Africa
UNSD	United Nations Statistics Division
WTO	World Trade Organization

Abstract

Five years after the African Continental Free Trade Area (AfCFTA) opened for trade on 1 January 2021, little trade has so far taken place under its preferences, and intra-African trade has declined as a share of the continent's total exports. This briefing paper asks why, and assesses the Agreement's implementation along three dimensions: the legal, the administrative and the economic. On paper, the legal architecture is advanced, but several protocols are not yet in force, and both the detailed rules on which practical effects depend and national implementation lag behind. However, the binding constraint is shifting from the legal texts to the administrative layer and the financing of implementation. Moreover, even a fully operational Agreement starts from the current structure of intra-African trade. Intra-African trade is indeed more manufacturing-intensive than Africa's trade with the world, but it is concentrated in a few industrial hubs, dominated by resource-based and medium-technology products, and does not reflect the integration of production via regional value chains. Creating African production networks will be the major task for the coming decade, one which the AfCFTA can support, but not accomplish on its own.

Keywords: African Continental Free Trade Area, market integration, regional value chains, tariff concessions, trade agreement

1. Introduction

The African Continental Free Trade Area (AfCFTA) is the latest and most ambitious step in a decades-long, and explicitly pan-African, project of continental integration (Aniche 2020; Nubong 2021). This process started with the founding of the Organisation of African Unity (OAU) in 1963 and continued with the self-reliance agenda of the 1979 Monrovia Summit and the 1980 Lagos Plan of Action. The 1991 Abuja Treaty then set out the vision of continental integration built on the Regional Economic Communities (RECs). From 2012 onwards, efforts to consolidate these blocs revived the goal of an eventual continental customs union.

The process culminated in the 2018 AfCFTA agreement as a new attempt for African integration with a single continental free trade framework layered over existing regional agreements, and a milestone towards the African Union Agenda 2063 for inclusive, sustainable development (ibid.). This is highlighted in the objectives of the agreement that go beyond trade: alongside creating a single market for goods and services, it expressly aims to promote structural transformation, industrial development and the building of regional value chains (Art. 3 Agreement Establishing the AfCFTA; in the following: Agreement).

Measured by its legal and institutional architecture, intra-African integration has never advanced faster in the past decades. More than five years ago, on 1 January 2021, the AfCFTA formally opened for trade under the new rules. From that day onwards, African countries could officially grant each other preferential market access (Tröster/Janechová 2021). In practice, however, little trade has yet taken place under AfCFTA preferences, and most intra-African trade continues to flow under pre-existing regional trade agreements. Why is this the case?

In this briefing paper, the implementation of the AfCFTA is assessed along three dimensions. The legal dimension covers the evolution of the Agreement's protocols, annexes and appendices since 2018. The administrative dimension covers what turns those texts into operative rules: the national and regional processes of adoption and gazetting, the customs, certification and standards systems, and the institutions that run them. The economic dimension covers the first attempts to trade under AfCFTA preferences and uses the current level and composition of intra-African trade as a baseline against which future developments can be assessed.

These dimensions were designed to advance in parallel, but at different speeds. Some of the slow progress is unsurprising, given the number and diversity of the State Parties, the subjects (including trade in goods and services, investment or digital trade) to be covered and the long horizon that market integration has required also in other parts of the world. At the level of protocols, the Agreement looks substantial, but the legal base is not yet complete, and even the completed parts are not yet fully operational. Whether a preference can actually be used at the border therefore turns to some part on the unfinished legal texts, but more on the administrative layer beneath it. Moreover, instruments and information systems have been built, such as a non-tariff-barrier portal, a payment system and a trade observatory, but the capacity to operate them, and to finance their operation, remains weak. It is here that the binding constraint currently lies.

Even a fully usable agreement changes little unless the underlying economics make the trade worth doing. The legal and administrative layers determine whether trade can legally and administratively happen under AfCFTA preferences, but the economic foundations such as the structure of production, the concentration of exporters, the composition of what African economies can actually export, determines whether it does create trade, market integration and structural change.

The briefing paper builds on progress reports, research papers and newspaper articles up to September 2026, as well as trade data up to 2024. The paper proceeds in three steps that

mirror these dimensions. Section 2 sets out the Agreement's legal architecture and Section 3 its status in 2026. Section 4 turns to implementation — the administrative machinery, institutions and financing through which the legal text becomes usable at the border, where the binding constraint now lies. Section 5 examines the economic dimension: the level and composition of intra-African trade today, and what it reveals about the Agreement's industrial promise. The conclusions synthesize the analysis and asks what it would take to move from commitments to results.

2. The legal architecture

The AfCFTA's legal framework is built in phases and with a nested structure of protocols, annexes and appendices. Because of this, its legal commitments can run years ahead of the detailed rules needed to apply them in practice.

2.1. The phased design of the agreement

The legal architecture of the agreement is built in three phases, each adding protocols on specific subjects. Phase I of the negotiations started in 2015 with the Agreement Establishing the AfCFTA and the basic rules for market access, laid down in the protocols on Trade in Goods, Trade in Services and Dispute Settlement. These texts were adopted and opened for signature at the African Union (AU) Kigali Summit in 2018, and the Agreement entered into force on 30 May 2019, when the minimum threshold of 22 African countries (Art. 23.1 Agreement) had ratified the Agreement (Simo 2026; TRALAC 2026).

The Agreement of 2018 committed the parties to negotiate the protocols of the next phases. Phase II comprised the protocols on Investment, Competition Policy and Intellectual Property Rights (adopted in February 2023). Phase III included protocols on Digital Trade and Women and Youth in Trade, which were adopted in February 2024. In February 2026, the AU Assembly decided to launch negotiations for a Protocol on Industrial Policy and Development as the newest part of the AfCFTA (Mengistie/Gérout 2026).

The phases only indicate when protocols are negotiated, adopted and enter into force, not when they become operational. This gap between formal commitments and the details needed for implementation results from the nested structure of the Agreement's instruments.

2.2. The nested structure of instruments

The AfCFTA agreement is made up of nested instruments. It contains protocols, which can have annexes, which in turn can have appendices (Art. 1 Agreement). Each of these becomes part of the Agreement once they are adopted (Art. 8 Agreement). The protocols set out the main obligations, while the annexes and appendices contain the detailed rules needed to apply them.

In practice, the division of labor between the instruments varies in the specific protocols. For Trade in Goods, the protocol states the obligations while the decisive operational details sit in the annexes and appendices (tariff schedules, rules of origin). For competition policy, by contrast, the implementing detail through ministerial regulations and in the institutions to be created is already part of the protocol. The nesting of instruments is therefore a shared design principle, but what each layer carries, differs across subject areas.

The protocols, annexes and appendices can enter into force separately. The Protocol on Trade in Goods, for instance, entered into force in 2019. It states in its Article 7.1 that 'State Parties shall progressively eliminate import duties' as the general obligation and specifies in Article 8.1 that each country's tariff concessions are set out in schedules in Annex 1, with modalities that were specified later. Also, Annex 2 on Rules of Origin (RoO) to the Trade in Goods Protocol laid down the general definitions and obligations in 2019, while the Appendix

IV of Annex 2 carrying the details of the product-specific rules were only adopted in February 2026.

This nested structure of instruments is one factor that explains the pattern that formal commitments outpace implementation (Kassa, Kee & Maur, 2026). The details on which practical effects depend are negotiated and adopted later than the general obligations. This means that a protocol can be in force for years while the annexes and appendices that give it practical effect are still being negotiated. In other words, a protocol can therefore be legally binding years before it can be applied in practice.

3. The status of the AfCFTA in 2026

Given this nested and lagged structure of the agreement, Table 1 summarizes the status of all AfCFTA protocols and their annexes and appendices as of 2026, distinguishing their legal status (in force, adopted, negotiation mandate) and stating the outstanding issues. Crucially, only the Agreement Establishing the African Continental Free Trade Area and the first three protocols as part of Phase I have entered into force. As of September 2026, 50 countries of the 54 signing countries have ratified these elements of the AfCFTA. Only Benin, Libya, Sudan and South Sudan have not ratified the agreement. Eritrea is the only African Union member state that has not signed it (African Union 2026b). The Phase II and III protocols have been adopted but await the 22 ratifications necessary to enter into force.[1]

Table 1: AfCFTA protocols, their annexes and appendices, and their status in 2026

Agreement and Protocols (phase)	Legal status	Annexes / appendices;	Status and outstanding issues
Agreement Establishing the AfCFTA	In force since 2019;	Framework treaty	Benin, Libya, South Sudan, Sudan not ratified; Eritrea not signed
Trade in Goods (I)	In force since 2019	9 annexes;	Final tariff schedules (Annex 1): 50 submitted, 48 verified, 26 gazetted
Trade in Services (I)	In force since 2019	5 annexes	25 schedules of specific commitments gazetted; regulatory-cooperation frameworks still being developed
Dispute Settlement (I)	In force since 2019	1 annex	operational
Investment (II)	Adopted Feb 2023; not in force	—	Awaiting necessary ratifications; dispute-settlement annex still to be negotiated
Competition Policy (II)	Adopted Feb 2023; not in force	—	Awaiting necessary ratifications; implementing regulations and host institutions being established
Intellectual Property Rights (II)	Adopted Feb 2023; not in force	8 of 9 annexes adopted Feb 2026	Awaiting necessary ratifications; Annex on the AfCFTA IP Office outstanding;
Digital Trade (III)	Adopted Feb 2024; not in force	8 annexes adopted 2025;	Awaiting necesary ratifications
Women and Youth in Trade (III)	Adopted Feb 2024; not in force	—	Awaiting necessary ratifications; implementation guidelines being prepared
Industrial Policy and Development (upcoming)	Negotiation mandated in Feb 2026	—	Negotiations to begin — direction of travel, not an instrument

Source: African Union 2025; African Union 2026; Simo 2026; TRALAC 2026.

[1] The exact ratification counts for the Phase II and III protocols are not publicly disclosed by the Secretariat (TRALAC 2026) (TRALAC, 2026).

3.1. The legal and administrative dimensions

3.1.1. Trade in Goods

The first protocol on Trade in Goods has nine annexes (see Table 2), which combine two complementary approaches to foster intra-African trade:

- Removal of barriers (with annexes on tariffs, Non-tariff Barriers (NTBs), RoO, trade remedies, Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary Measures (SPS)) and
- Cooperation to build a shared trading environment and institutions (with annexes on Customs Cooperation and Mutual Administrative Assistance, Trade Facilitation and Transit).

While the texts and appendices of eight of the nine annexes had been finalized as of September 2026, the most important outstanding issue is the completion of the tariff concession schedules in Annex 1. These are organized in three categories:

1. **Category A (non-sensitive products):** at least 90% of tariff lines, full reduction over five years, respectively ten years for least-developed countries (LDCs) and 15 years for a specific group of countries[2]
2. **Category B (sensitive products):** up to 7% of tariff lines, liberalized over ten years for non-LDCs and 13 years for LDCs
3. **Category C (excluded products):** up to 3% of tariff lines, for which tariffs remain unchanged; these may not exceed a certain share of intra-African imports either (the "double qualification" rule)[3]

As of June 2026, 50 State Parties, i.e. countries that have ratified the Agreement and are therefore bound by it, had submitted their tariff concessions (ibid.). The 50 State Parties are covered by far fewer distinct schedules, because the four customs unions - Economic Community of West African States (ECOWAS), the Economic and Monetary Community of Central Africa (CEMAC), the East African Community (EAC) and the Southern African Customs Union (SACU) - each submit a single joint schedule under their common external tariff (CET), while the remaining 18 countries submit tariff schedules individually. This yields 22 distinct schedules covering the 50 parties. Of these, 48 schedules have officially been adopted, even though only 17 schedules cover all three categories so far (African Union 2025; TRALAC 2026). Moreover, the schedules have to be gazetted, i.e. published in each country's official gazette, before national authorities can apply them. So far, only 26 countries have done so (ibid.). As a result, the tariff-liberalization schedules remain incomplete, with many details still missing for categories B and C.

Because each state party or customs union should assign all product lines to the Categories A, B and C within its own schedule, there is no single continental list, and the composition varies by schedule according to its industrial structure and policy priorities. Some patterns emerge based on the data available in the e-Tariff Book (AU-AfCFTA 2026). Category A contains mainly industrial inputs, machinery, most raw materials and the majority of manufactures and essentially everything a country is not specifically seeking to protect. Category B typically holds products of industries a country wants to shield during adjustment such as processed foods, textiles and clothing and locally manufactured consumer products

[2] Ethiopia, Madagascar, Malawi, Sudan, Zambia and Zimbabwe formed the group 'G6' during the negotiations claiming unique challenges due to the trade liberalization. They are a political group and not based on formal criteria (Daniel 2024). According to tariffs details in the AfCFTA e-tariff book, however, these countries have not applied to option for an extended phasedown.

[3] The total value of these imports must not exceed 10% of the value of all imports from within other African countries (Simola et al. 2025).

where a domestic industry exists. Category C is reserved for the most strategically protected goods linked to food security, national security, fiscal revenue, livelihood and industrialization (ibid.; TRALAC 2026). The basket of these goods typically includes staple foods (sugar, dairy, poultry, flour) and highly taxed goods such as alcohol and tobacco, petroleum products, arms, and the outputs of infant industries a government is trying to establish. For instance, Cameroon protects its cocoa sector by classifying cocoa bean imports as Category B products and semi-finished cocoa products as Category C (AU-AfCFTA 2026).

The adoption of the RoO in February 2026 is a milestone for the trade in goods (African Union 2026a). Since the AfCFTA as a free trade area does not have a common CET, RoO play a central role. In principle, they ensure that only goods produced within the region benefit from preferential tariffs, preventing imports from third countries from entering through the member state with the lowest external tariff (trade deflection) (Kassa et al. 2026). In practice, however, the picture is more complex: strict rules can raise compliance costs and limit the use of preferences, particularly for firms relying on imported inputs, while lenient rules may allow goods with little regional value added to benefit.

Although rules for 92.43% of tariff lines had already been agreed by July 2025 (African Union 2025), the remaining products, mainly textiles and clothing and automotive products, delayed the adoption of the full set of rules until February 2026. The outstanding issues on textiles and automotives could be solved for the moment with transitional arrangements. For clothing, a general yarn-forward rule (requiring African-made fabric, with all production from yarn onward undertaken locally, reviewable after five years) was agreed, but some products are still labelled as ‘yet to be agreed’. For these, the July 2026 Council of Ministers created a two-year window under which the importing country applies the equivalent rule from its REC until revised continental rules are settled. Also, the automotive rules of value-content thresholds of 65% remain under further review in five years (TRALAC 2026). In other words, the rules are politically settled at continental level for all products with an adopted rule or a transitional mechanism, which makes them uniformly usable across national customs systems in African countries. Completing tariff schedules and RoO establishes only the eligibility of a good for preference, but it does not by itself make the good admissible at the border. For instance, a product that is RoO-compliant and is subject to a zero tariff still needs to fulfil sanitary requirements or have the correct conformity certificates. These diverging national regulations are part of remaining annexes of the Protocol on Trade in Goods, which are however markedly less operational than the tariff and RoO framework.

All annexes to the Protocol on Trade in Goods have been adopted, but their implementation is at very different stages (see Table 2). NTBs are widely regarded as the dominant obstacle to intra-African trade (Kassa et al. 2026). Annex 5 responds with a two-part mechanism by focusing on the identification, categorization and monitoring of NTBs through a reporting mechanism, and on their elimination through a structured resolution procedure, with unresolved cases ultimately referable to dispute settlement (Art. 12 Protocol on Trade in Goods; Appendix 2 to Annex 5). Operationally, this takes the form of a continental online reporting mechanism, which was installed in 2020, on which traders and firms can make complaints to the Secretariat and the relevant national or regional bodies. The uptake, however, remains limited. By mid-2025, the mechanism had registered only around 30 NTBs, of which 47% had been resolved, 23% were in consultation and 30% had been referred to the REC (African Union 2025). The small caseload reflects low awareness among traders and a proliferation of overlapping reporting platforms rather than a scarcity of barriers (Kassa et al. 2026).

Technical Barriers to Trade (Annex 6) and Sanitary and Phytosanitary Measures (Annex 7) set rules for product standards and health requirements, respectively, that goods must meet to cross borders. The AfCFTA protocol refers to the WTO TBT Agreement (Art. 21 Protocol on Trade in Goods) and the WTO SPS Agreement (Art. 22). These agreements focus on

international standards and on the mutual recognition of testing and certification, rather than on harmonizing national rules. Both annexes, therefore, focus on issues like cooperation, mutual recognition of testing and certification, and shared conformity-assessment infrastructure. On the TBT side, the African Technical Regulatory Framework (ACTReF) and a draft Mutual Recognition Agreement (MRA) for conformity assessments were launched in 2025 (African Union 2025). Concerning SPS, only a Sub-Committee replacing the prior Continental SPS Committee has been established so far, while the mutual recognition of certificates, and any substantive alignment of measures are still missing (Kassa et al. 2026). This slow implementation bears most directly on agri-food trade, which has been identified as a key sector for progress in industrialization.

Table 2: Status of the further Annexes to the Protocol on Trade in Goods

Annexes	Activities
1. Schedules of Tariff Concessions	50 are submitted; 48 verified, 26 gazetted
2. Rules of Origin	Adopted in February 2026, reviews after 5 years in textiles and automotives
3. Customs Cooperation & Mutual Administrative Assistance	Sub-committee for simplification and modernization of customs procedures, Continental Electronic Certificate of Origin (e-CO) designed but not yet in operation
4. Trade Facilitation	Follows the agenda of the WTO Trade Facilitation Agreement (TFA), uneven national implementation
5. Non-Tariff Barriers	Online reporting mechanism operational since 2020
6. Technical Barriers to Trade	Technical-regulatory framework (ACTReF) and a draft Mutual Recognition Agreement (MRA) for conformity assessments
7. Sanitary & Phytosanitary Measures	SPS Sub-Committee established: alignment to international standards and mutual recognition of certificates outstanding
8. Transit	Draft Continental Transit Guarantee System, AfCFTA Transit Document and implementation roadmap adopted (2025). deployment still at an early stage
9. Trade Remedies	Builds on the relevant WTO agreements; AfCFTA implementing guidelines adopted

Sources: African Union 2025; De Melo et al. 2025; Kassa et al. 2026; TRALAC 2026.

3.1.2 Trade in Service

The AfCFTA rules for trade in services follow a different logic from those for trade in goods, and the negotiations are correspondingly more complex. Consequently, the negotiations and implementation lag behind the trade in goods agenda in part because of the design of the negotiation process. There is no tariff to phase down instead, the barriers are regulatory and sit behind the border: licensing rules, foreign-ownership limits, restrictions on the number of suppliers or requirements on the legal form a firm must take. A further feature distinguishes services: liberalization is not only sector-specific, but also mode-specific. Generally, a service can be supplied in four ways, namely cross-border (Mode 1), consumption abroad (Mode 2), through a commercial presence such as a local subsidiary (Mode 3), and through the temporary movement of a service provider (Mode 4) and a country schedules its commitments separately for each (Raza et al. 2018).

These behind-the-border measures are what integration theory identifies as the hardest to liberalize, yet they can be the most consequential for Africa’s transformation. Services account

for half of the continent's GDP and around 75% of incoming foreign direct investment are in service sectors. Moreover, services such as finance, transport or telecommunication are crucial as intermediate inputs to manufacturing and agribusiness (Simo 2026; Snyman 2025).

By design, the Services Protocol aims higher than the global baseline. The AfCFTA 'requires State Parties to provide deeper and more meaningful market access […] than GATS or other arrangements' (Chaytor & Ogo, 2025). At the same time, it should reflect both Africa's development priorities and coherence with global trade rules (Simo 2026). The Protocol on Trade in Services operates on two levels to achieve this deeper liberalization and uses five annexes (the Schedules of Specific Commitments, MFN Exemptions, Air Transport Services, the List of Priority Sectors, and a framework on Regulatory Cooperation) (ibid.).

A first set of general obligations binds every State Party across all sectors. It includes most-favored-nation (MFN) treatment, requiring each State Party to treat services and suppliers from another State Party no less favorably than those from any third country. Other general obligations concern transparency, special and differential treatment, domestic regulation (the right to regulate), mutual recognition, and competition-related issues (Karanja et al. 2023). A separate framework on regulatory cooperation is foreseen to support these disciplines, and air transport services are dealt with in their own annex.

A second set of specific commitments on Market Access and National Treatment applies only in the sectors a country positively inscribes for liberalization. The State Parties agreed in 2022 to concentrate the opening round on five priority sectors: business, communication, financial, transport and tourism services (Simo 2026; TRALAC 2026). For each of these sectors every State Party fills in a grid of initial commitments to market access (quantitative and structural restrictions) and national treatment (non-discrimination) for the four modes of supply. In the extreme case, a country either accepts full liberalization without any discrimination ("None"), or a country keeps full freedom to restrict market access or to discriminate ("Unbound"). Between these poles, a cell may carry a specific limitation, such as a cap on foreign equity, a local-incorporation requirement or a residency rule for directors, which preserves that named restriction. Thus, limitations on service sector liberalization only ever exist because a country explicitly states them.

An example of an initial offer is the one submitted by the East African Community in June 2023, which was filed collectively for its five members, but the commitments it contains remain country-specific (EAC 2023). The limitations differ country by country for the same mode in a sub-sector. In fixed-line telephony, for instance, the commercial-presence (Mode 3) cell reads: Burundi, Kenya: joint venture with maximum foreign shareholding of 51%; Rwanda: None; Tanzania: listing capped at 75% of a free-float threshold (ibid.). The entries also bear out the mode hierarchy found in the actual restrictiveness data of trade in services (Croci et al. 2026). Commercial presence (Mode 3) carries most of the real commitments but with equity caps, local-incorporation and joint-venture requirements, while the movement of natural persons (Mode 4) and cross-border supply (Mode 1) is left restricted almost everywhere.

The initial commitment is the starting point for the negotiations which proceed through a request-offer process. Each State Party makes an offer specifying for each of the selected sectors which limitations on market access and national treatment it will retain. The other parties respond with requests for deeper commitments. Thus, the level a party inscribed in its initial schedule functions as a minimum commitment that the party can unilaterally extend with the negotiation rounds, but cannot fall below (Simo 2026). All settled offers are submitted, and finally adopted and gazetted. By 2026, twenty-five State Parties had adopted and gazetted their Schedules of Specific Commitments, with further offers still under negotiation and verification (Croci et al. 2026; TRALAC 2026).

However, a gazetted commitment is a binding ceiling on the restrictions a country may apply to foreign services and suppliers in each sector and mode like a legal guarantee that access

will not fall below the inscribed level (Simo 2026). A State Party retains the right to regulate (Art. 8, Trade in Services) and may introduce new regulations on services and suppliers to meet national policy objectives. But this right is not unconditional and holds only 'in so far as such regulations do not impair any rights and obligations arising under this Protocol' (Art. 8). Within those limits, the domestic-regulation disciplines (Art. 9) require that measures of general application in committed sectors be administered in a 'reasonable, objective, transparent and impartial manner'. The commitment and the regulation behind it thus operate at two levels: a gazetted schedule has the force of national law and binds the country not to fall below the inscribed level of access, while the detailed conditions of entry and operation continue to be set by national regulation (Simo 2026).

Closing this gap is the purpose of the regulatory frameworks, which therefore matter as much as the schedules. For instance, a schedule can bind a country not to discriminate, but it cannot by itself make a Nigerian engineer's license recognized in Ghana, harmonies prudential rules so a Kenyan bank can operate in Tanzania, or align the standards that let a service actually cross a border. It is this track that determines whether liberalization becomes real, since effective opening depends on domestic regulatory implementation, mutual recognition and regulatory cooperation (Snyman 2025; TRALAC 2026). As of mid-2026, none of the regulatory frameworks had been finalized: those for financial and communication services were being prioritized and remained under revision, with the transport and tourism frameworks, initially targeted for Council endorsement by October 2025, to follow (African Union 2025; TRALAC 2026).

3.1.3 Beyond goods and services: the negotiation Phase II and III subjects

The Phase II and III protocols extend the AfCFTA beyond market access to the rules that shape the business environment behind the border. All have been adopted but none are in force yet, since each awaits the 22 ratifications required. In February 2026, the AU Assembly urged member states to ratify the Investment, Competition, Intellectual Property, Digital Trade, and Women and Youth protocols by the end of 2026 (African Union 2026a).

Investment. The Protocol on Investment establishes a continental framework for investment promotion, facilitation and protection, re-centered on intra-African investment. It should replace the continent's dense web of some 183 intra-African bilateral investment treaties and align sub-regional investment norms within five to ten years, while rebalancing the classic treatment standards (national treatment, fair and equitable treatment, MFN) toward greater regulatory space for states and adding investor obligations on human rights, anti-corruption and climate (Kassa, Kee & Maur, 2026). However, the annex on dispute-settlement is still being negotiated, with five member states pressing to include investor–state dispute settlement (ISDS) instead of a state-centric and prevention-oriented approach with national focal points and investor-grievance bodies. The mechanism is therefore not yet operable (African Union 2025).

Competition policy. The Protocol on Competition Policy seeks to prevent the anti-competitive practices that would otherwise distort a single continental market. Its ministerial implementing regulations — covering mergers and acquisitions, abuse of dominance and the institutional framework — are being finalized, and host countries for a continental Competition Authority and Tribunal are being selected, but ratification is still outstanding (ibid.; TRALAC 2026).

Intellectual property rights. The Protocol on Intellectual Property (IP) Rights aims to harmonies IP protection and support value addition, notably local pharmaceutical manufacturing and the creative industries, and to leverage traditional knowledge and genetic resources. Eight of its nine annexes on marks, patents, industrial designs, utility models, copyright, geographical indications, plant varieties and traditional knowledge were adopted at

the AU Assembly in February 2026. The outstanding annex concerns the establishment of an AfCFTA Intellectual Property Office (ibid.; TRALAC 2026)

Digital trade. The Protocol on Digital Trade (adopted February 2024, Phase III) creates a framework for e-commerce and digitally-delivered trade, intended to support the goods and services protocols. An implementation strategy has been presented, with lead champions (Kenya, Nigeria and South Africa) and pilot projects, and the inaugural Digital Trade and Services Forum was held in Lusaka in May 2025 (African Union 2025). Like the other protocols, it awaits ratification before entering into force.

Women and youth in trade. The Protocol on Women and Youth in Trade (adopted February 2024, Phase III) is described as the first of its kind in any trade agreement (Erasmus 2025). It responds to the systemic barriers these groups face, such as high transaction and information costs, limited access to finance, weak representation in trade networks, and border-clearance difficulties. The protocol itself was added to the AfCFTA package following a sustained lobbying process (ibid.). It commits State Parties, under Article 4(4), to develop a ministerial regulation on preferential market access for women and youth in trade, defined by the Protocol as women and young people (under 35) who participate in the cross-border import and export of goods and services, whether as individual traders or through women- or youth-owned businesses (Art. 1, Protocol on Women and Youth in Trade). Its implementation is conceived not as an event but as an ongoing process of national policies, regulations and monitoring. South Africa ratified it relatively early (in 2025), but the Protocol is not yet in force pending the required ratifications (ibid.).

4. Bringing the AfCFTA into action

Even as work on the legal base has advanced over recent years, it is unsurprising that the complex framework remains incomplete in full detail. Given the differences between member states, it was never realistic to expect the full legal framework to be completed across the continent as quickly as scheduled, or trade to begin for all parties at the same time. The Agreement accommodates this by design as each instrument becomes part of it ‘upon adoption’ (Art. 8, Agreement).

This drafting choice explains how the Protocol on Trade in Goods could enter into force in 2019 and apply from 2021 onwards, even though the tariff schedules and product-specific RoO it provided for were still being negotiated years afterward (see section 3.1.). The framework binds immediately, while its contents are attached one by one as they are adopted. Implementation is therefore a continuous process of legal and administrative activity rather than a single event — and it is at this operational stage, rather than in the design of the legal text, that the AfCFTA’s central constraint now lies.

Baker et al. (2026) propose monitoring the AfCFTA by linking legal commitments to the implementation instruments and institutions that put them into effect, the economic outcomes and to development impacts they are meant to produce. Their central point is that ‘legal commitments alone do not generate results , but must be ‘translated into practical instruments, mechanisms and institutions.’ This section focused on the middle parts of this approach by analyzing the applicability of preferences at the border, the institutional architecture, and the administrative and financial capacity to operate it.

4.1. Preliminary Applicability

The 2021 start of trading under AfCFTA preferences was largely symbolic, but this date still matters today as many preferences such as the tariff schedules are gazetted and come officially in force, for every State Party, irrespective of when it actually enacts (gazettes) its schedule domestically (AfCFTA Secretariat 2021). The annual tariff cuts are counted from

2021 rather than from the day a schedule is gazetted, so that “year 1” of every schedule is 2021, “year 2” is 2022, and so on. Tariff reductions therefore take effect immediately, accelerating implementation. However, late implementers forgo much of the gradual adjustment the schedule was meant to provide, since the reductions for the elapsed years are compressed rather than spread out.

That same ministerial directive (ibid.) supplied a fallback-option to enable trade under the AfCFTA preferences despite missing RoO; they were only completed in 2026. For a product that was already in a country's provisional tariff schedule but for which no AfCFTA RoO had yet been agreed, the importing country was not obliged to grant the preference, but could instead apply its non-preferential (MFN) rules or the RoO of its REC, until continental rules were agreed.

4.2. The Guided Trade Initiative

The Guided Trade Initiative (GTI) was launched in October 2022 as a practical vehicle, which allowed trade to begin under provisional schedules of tariff concessions while the wider tariff and RoO negotiations were still ongoing. Its purpose was explicitly experimental: to enable commercially meaningful trade, to test the operational, institutional, legal and trade-policy environment end-to-end, and to signal to economic operators that the AfCFTA was more than a framework on paper (AU-AfCFTA 2022b).

The initial group of eight States (Cameroon, Egypt, Ghana, Kenya, Mauritius, Rwanda, Tanzania and Tunisia) agreed to start trading a defined basket of 96 selected products for which RoO had been agreed, and only among countries that had verified, adopted and domestically gazetted their provisional schedules. It expanded to 39 participating States and concluded in 2025 (African Union 2025; TRALAC 2026).

The actual trade flows within the GTI remained thin. Only 1,200 certificates of origin were issued for trades under the AfCFTA preferences (African Union 2025). However, the GTI also highlighted many structural and administrative obstacles as gazetted schedules, border systems, certification authorities and RoO were frequently not yet operational, while behind the border most firms lacked the certification, capacity and finance to use the preferences at all, and the supporting infrastructure for product testing, mutual recognition and logistics was largely absent (see Bama 2023 for the case of Cameroon). In this sense, the GTI’s key contribution was diagnostic by mapping the administrative and institutional gaps that define the AfCFTA’s central implementation challenge. It also underscored the need to strengthen the National Implementation Committees through which commitments are turned into domestic practice (UNECA 2025).

4.3. The institutional and instrumental architecture

The AfCFTA is administered through a layered structure set in Articles 9 to 13 of the AfCFTA Agreement. At the apex sits the AU Assembly of Heads of State and Government, which adopts protocols and takes the major political decisions. Below it, the Council of Ministers responsible for trade provides oversight, supported by the Committee of Senior Trade Officials. The AfCFTA Secretariat, based in Accra and operational since 2020, coordinates implementation, verification of schedules and negotiation support, while the Dispute Settlement Mechanism provides the legal backstop, largely replicating the WTO dispute settlement system (TRALAC, 2026).

The pivot from negotiation to implementation is visible in new bodies. In February 2026, the AU Assembly established a Committee of Heads of State and Government on the implementation of the AfCFTA to steer the transition to political implementation (African Union 2026a). At the technical level, the AfCFTA Implementation Review Mechanism (AFIRM), developed with the African Peer Review Mechanism and given its terms of reference in late

2024, began country-readiness assessments. In addition, 33 State Parties established National Implementation Committees to coordinate domestic execution (African Union 2025). Operational instruments underpin these bodies: the online non-tariff-barrier mechanism, the Pan-African Payment and Settlement System (PAPSS), the African Trade Observatory, the e-Tariff Book, and a continental electronic Certificate of Origin (TRALAC, 2026).

4.4. Administrative and financial capacities as binding constraint

Kassa et al. (2026) find that progress has stalled 'not for lack of agreements, but due to […] weak implementation' and that Africa's bottleneck 'is not tariff barriers but regulatory and procedural fragmentation' behind and at the border. Studies on trade facilitation reach the same conclusion from the customs side, where border-time and administrative capability, more than the agreement itself, determine the gains realized (De Melo et al. 2025). UNECA's 2025 Economic Report on Africa, devoted to 'advancing the implementation' of the Agreement likewise foregrounds synchronized national, regional and continental reforms and the strengthening of national implementation committees (UNECA 2025). The 2025 AfCFTA progress report noted significant skill gaps in customs administrations and set out work on the Customs Capacity Building Strategy, one-stop border posts and the AfCFTA Simplified Trade Regime (African Union 2025).

This capacity question is closely linked to a financing question of activities to overcome institutional and administrative gaps. It runs through three distinct tracks. The first track is the institutional financing of the Secretariat's own operations and programs, which the Agreement itself ties in part to development partners. Technical assistance and capacity-building are to be mobilized 'in collaboration with development partners' (Art. 27 Services Protocol) and the Secretariat is directed to 'explore avenues to secure' the necessary resources (Art. 29 Goods Protocol). The February 2026 Assembly decisions tie these threads together, directing the Secretariat to mobilize resources, commending its success in securing USD 5 million in external funding for the Intellectual Property Protocol alone, and requesting development partners to fold AfCFTA implementation into their own existing and future programs (African Union 2026a).

The second track is the financing of national implementation based on the strategies, implementation committees and legislative alignment through which commitments should become domestic reality. External development partners play a substantial role in providing technical assistance for AfCFTA implementation, particularly in preparing national and regional implementation strategies, strengthening institutions and supporting regulatory reforms. According to UNECA (2025) 41 national implementation strategies completed by October 2024 had received support from UNECA or other development partners. European donors are also important providers of technical assistance. For example, Germany's GIZ AfCFTA support program has a financial commitment of EUR 78.2 million, including EUR 15.7 million in EU co-financing, for the period 2020–2028. It supports the AfCFTA Secretariat, regional institutions and implementation activities in ten focus countries (GIZ 2020). However, the extent to which AfCFTA implementation as a whole depends financially on external assistance remains unclear, as comprehensive data comparing external and domestic financing are unavailable. ODI (2023) therefore emphasizes the importance of sustainable domestic financing for national implementation committees. This concern has gained relevance as official development assistance declined substantially in 2024 and 2025 (OECD 2026). Although no systematic evidence of funding reductions specifically affecting AfCFTA programs is available, the changing development-finance environment increases the risks associated with reliance on external technical assistance and underscores the importance of strengthening domestic implementation capacities.

The third track is trade-adjustment and investment financing, in the form of the AfCFTA Adjustment Fund, established by the AfCFTA Secretariat and Afreximbank to help state

parties offset tariff-revenue losses and firms adapt to the integrated market. It was estimated that the adjustment requires USD 10 billion over five to ten years, structured across a Base Fund (grants and technical assistance), a General Fund (concessional finance) and a Credit Fund (commercial finance), and managed by Afreximbank's investment arm with an Adjustment Office in the Secretariat (AU-AfCFTA 2022a). So far, the only major quantified contribution is the Afreximbank USD 1 billion facility. Beyond this, member-state and development-partner contributions are anticipated but unquantified, and no consolidated figure for actual disbursements is publicly available (Africa International Trade & Commerce Research 2025).

Implementing the AfCFTA requires substantial administrative capacities and financial resources. Although external development partners provide considerable technical and financial assistance, the integration agenda is driven and governed by the African Union and its member states. Limited fiscal space and administrative capacity constraints may slow implementation, but they do not fully explain the lack of progress. Political priorities, competing national interests and insufficient domestic resource allocation also play a significant role.

5. Intra-African Trade

If the administrative layer is the immediate constraint, the economic structure of intra-African trade is the deeper one. As little trade has yet taken place under AfCFTA preferences, recent intra-African trade data[4] provide a baseline against which future trade under more extensive tariff commitments and RoO can be assessed.

Box 1: Data and limitations

The trade analysis is based on CEPII BACI (version 202601, HS 2012), which reconciles the export and import declarations reported to UN Comtrade into a single value for each bilateral flow, valued FOB (Gaulier/Zignago 2010). This reduces the well-known limitations of raw trade statistics, such as outliers, missing values and bilateral asymmetries (Chen et al. 2022; Hu et al. 2022) with missing data disproportionately affecting less developed economies (Lall 2000). Products are assigned to manufacturing and technology categories via the HS 2012 to SITC Rev. 3 correspondence of the United Nations Statistics Division. To reduce year-to-year volatility, which is pronounced for small trade flows and individual country pairs, period comparisons are based on two-year sums (2017–2018 and 2023–2024) rather than single years (see Döver (2025), for a similar approach).

Several limitations remain. First, values are in current US dollars, so changes in trade values also reflect price effects, particularly for commodities. Second, gross trade statistics do not show where value is added: exported goods may be the result of fragmented production within global value chains, so that domestic value added is lower than gross exports suggest (Wang et al. 2013). Third, especially in small economies and in higher-technology categories, exports may partly consist of re-exports of goods previously imported from third countries (Srholec 2007). Finally, informal cross-border trade, which is substantial in parts of the continent, is not captured (Carrère/Grigoriou 2015).

[4] The trade statistics based on the authors' own calculations refer to trade among the 54 signatory states of the AfCFTA. Eritrea, which has not signed the Agreement, is therefore excluded: its exports are not included, and exports to Eritrea are counted as exports to the rest of the world. Figures may therefore differ slightly from other sources that cover all African countries or sub-Saharan Africa only.

5.1. A stagnating share

Intra-African exports rose from USD 86 billion in 2015 to USD 103 billion in 2024.[5] Given the incomplete legal framework and its limited implementation, most of this trade takes place under existing REC arrangements or at regular tariffs rather than under AfCFTA preferences. Informal cross-border trade, which is substantial in parts of the continent, is not captured in these figures. Measured against the continent's total exports, however, the picture looks different and the intra-African share fell from 17.2 to 14.3 per cent over this period (see Figure 1). This trend cannot be explained solely by fluctuations in commodity prices. Although world market prices do influence relative trade shares due to the greater focus on commodities in extra-continental trade, the data also point to weaker momentum in regional trade relations. However, without a separate price-volume breakdown, it is not possible to determine conclusively whether this relative weakness is primarily due to lower real trade volumes or to differing price trends (see also WTO 2026).

Figure 1: Intra-AfCFTA exports

(share of total African exports and absolute value)



Source: Authors' calculations based on CEPII BACI, version 202601 (HS 2012).

* Note: Exports of AfCFTA countries to other AfCFTA countries, 2015–2024, aggregated over all countries and products. Bars (right axis): value of intra-AfCFTA exports in billion USD. Line (left axis): intra-AfCFTA exports in % of total exports of AfCFTA countries to the world. AfCFTA comprises the 54 signatory states (as of October 2026), held constant over the entire period. Values in current USD (FOB).

5.2. The manufacturing promise

Despite the slow growth of intra-African trade, the promise of the AfCFTA is usually seen in the composition of intra-African trade. A recurring theme across the policy literature such as Kassa et al. (2026), Stuart (2026) and UNCTAD (2022) is that what African countries sell **to** each other is markedly more technologically sophisticated than what they sell to the rest of the world: intra-African exports are more diversified and considerably more manufacturing-intensive. While exports beyond the continent remain dominated by raw commodities, intra-African flows contain a substantial share of processed and manufactured goods (Table 3, see also Figure 2 in Tröster/Janechová (2021)).

[5] Other reports such as (Afreximbank 2026) sum exports and imports to describe intra-African trade. It can be argued that using both directions is a way to compensate for differences in reporting export and import data or under-reporting. Moreover, the adjustment and calculation methods on trade data vary between different reports and institutions.

Table 3: Africa's exports to the rest of the world vs. intra-African exports

Category	To rest of the world	Intra-African
Primary products	**51.6%**	**25.2%**
Resource-based manufactures	12.2%	5.5%
Low-technology manufactures	4.2%	10.3%
Medium-technology manufactures	**10.0%**	**24.1%**
High-technology manufactures	1.5%	3.5%
Others	20.5%	31.3%

Source: World Bank elaboration based on CEPII data (derived from Kassa et al. 2026, Figure O.3).

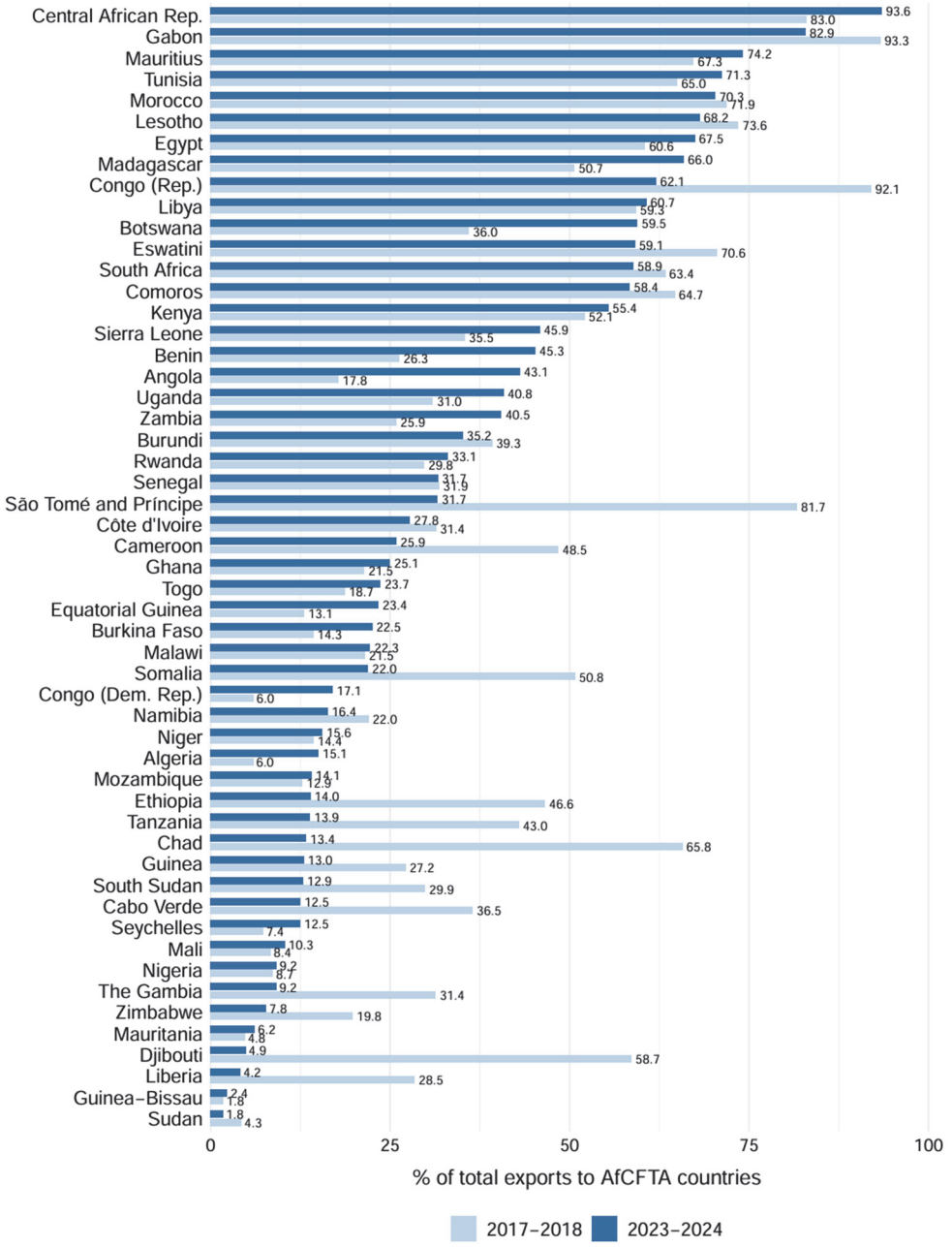
* Note: by category (% of flows), 2010–22 Average.

The composition of intra-African trade differs considerably from Africa's exports to the rest of the world. Between 2010 and 2022, manufactured goods accounted for approximately 43% of intra-African exports, compared with only 28% of exports to external markets (Kassa et al., 2026). A complementary measure points the same way: value-added sectors such as petrochemicals, transport equipment, processed foods, electronics and machinery each sell 27–39% of their output within Africa and therefore far more than primary products, where some 90% is shipped outside the continent (Kassa et al. 2026).

Much of the AfCFTA's developmental case rests on these figures. The assumption is that the continental market can generate more sophisticated trade and, on the basis of existing industrial capabilities that global markets have not rewarded, build the regional value chains that drive structural transformation. The data support the first half of this claim, namely that the composition of intra-African trade is genuinely more industrial, but not the second half that this trade will produce integrated regional production. Three qualifications are important here, which are discussed in the following section: intra-African manufacturing trade is concentrated in a few surplus economies, high shares for individual countries can be misleading, and the type of manufacturing trade points to market integration rather than integrated regional production.

Figure 2: Manufacturing in intra-AfCFTA exports

(manufacturing, % of each country's total exports to AfCFTA countries, all products)



Source: Authors' calculations based on CEPII BACI, version 202601 (HS 2012), UNCTAD (n.d.) and UNSD (n.d.).

* Note: Share of manufactured goods in each country's total exports to other AfCFTA countries (all products), 2017–2018 and 2023–2024, in %. Manufacturing according to the definition of the United Nations Conference on Trade and Development (UNCTAD); products mapped from HS 2012 to SITC Rev. 3 using the correspondence table of the United Nations Statistics Division (UNSD). Shares based on period sums (current USD, FOB). Countries sorted by their share in 2023–2024. For countries with very small exports to AfCFTA countries (e.g. São Tomé and Príncipe, Comoros, Cabo Verde: < USD 50 million per year), shares are based on few shipments and can fluctuate strongly. AfCFTA comprises the 54 signatory states (as of October 2026).

5.3. Three qualifications on intra-African manufacturing trade

First, a few hubs dominate, and they run the surpluses. Intra-African trade is highly concentrated on a small number of large exporters, which is not surprising given the differences in economic size between countries. Notably, these large economies are also net-exporters in intra-African trade. South Africa alone runs an intra-African trade surplus of roughly USD 15.0 billion (average 2023–24), Egypt some USD 6.3 billion, and intra-African exports in Nigeria, Morocco and Côte d'Ivoire exceed their imports from the other African countries. In addition, most surplus countries also show a high-level of manufactured goods in their exports (see Figure 2). At the other end, a long tail of economies runs persistent deficits, including Mozambique with around USD –5.5 billion, Botswana USD –4.7 billion, and Zimbabwe USD –2.8 billion (Fig 3).

Thus, intra-African trade is dominated by a handful of industrial hubs that supply manufactured goods to their neighbours within the region and run structural surpluses against them. This implies that the initial benefits of more manufacturing trade through AfCFTA preferences are likely captured by a narrow group of countries, and that the distributional question (who gains from integration) cannot be separated from the industrial one.

Second, single country figures must be read with care. High manufacturing shares as shown in Figure 2 can reflect a handful of commodity-linked product lines rather than a broad industrial base. Several countries post intra-African manufacturing shares above 50% such as the Central African Republic (93.6%), Gabon (82.9%), Lesotho (73.6%), Madagascar (66.0%), but these figures conceal very different realities.

Two effects inflate the figures. First, a denominator effect: a country with tiny total exports to Africa can show a very high manufacturing share on a modest absolute base — the Central African Republic's regional exports were only some USD 7 million in 2023, and its reported manufacturing is dominated by aircraft parts that likely reflect re-exports rather than an aircraft industry. Gabon's 82.9% sits atop an economy where oil, manganese and timber make up 83% of exports and barely 3% goes to Africa at all. Second, a definition effect (see Figure 4): processed timber, refined petroleum and basic metals count as 'manufactures' despite limited domestic value added. Only where the absolute values are substantial does a high share signal real industrial capacity as, for instance, in Lesotho, whose garment exports to South Africa (roughly USD 187 million in clothing and textiles in 2024) reflect a genuine export-oriented manufacturing sector (WITS; UN Comtrade).

For this reason, a country-by-country reading requires that composition and concentration be examined alongside the headline share, and that re-exports, which UN Comtrade reports as a distinct flow for several countries, are shown separate from genuine domestic production wherever the data allow.

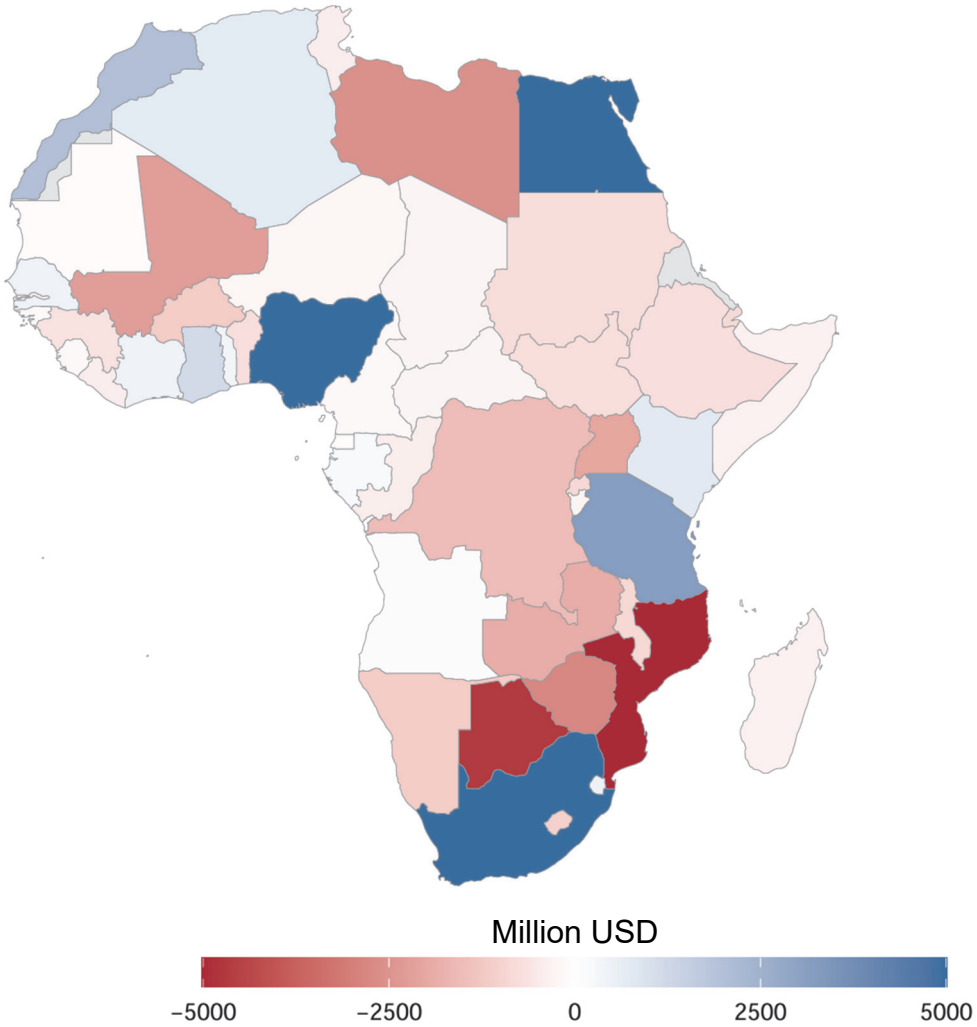
Third, and most important, what the hubs export is a specific kind of manufacturing. Even the genuinely diversified exporters are concentrated in resource-based and medium-technology products, not frontier industries. South Africa's intra-African manufactured exports cluster in automotive, machinery, chemicals and processed foods. Morocco and Tunisia in automotive and engineering and Egypt and others more heavily in resource-based manufactures such as cement, fertiliser and processed commodities. These are the lower and middle elements of the industrial ladder, but medium-technology exports are not evidence of a broad industrial capability (Kappel 2026; Naudé/Tregenna 2023).

Thus, data on manufactured goods crossing African borders shows that the market is integrating to some degree, mostly within the RECs. However, trade in a manufactured product is not evidence that it was manufactured with significant value addition in Africa or through an integrated African value chain. For instance, a vehicle assembled in South Africa from imported component appears in the statistics as intra-African manufacturing trade while

adding limited African value. South Africa's transport equipment sector illustrates this: the foreign value added in its exports is sourced mainly from lead-firm economies outside the region, while inputs from other SADC countries, although increasing, remain small (Döver 2025). It is therefore important to differentiate between 'regional market integration' and 'regional production integration'. It is the latter, the shared value chains and the domestic value added they generate, on which the industrial promise of the AfCFTA actually depends (Kassa et al. 2026).

Figure 3: Intra-AfCFTA trade balance, 2023-2024

(annual average, exports minus imports within AfCFTA)

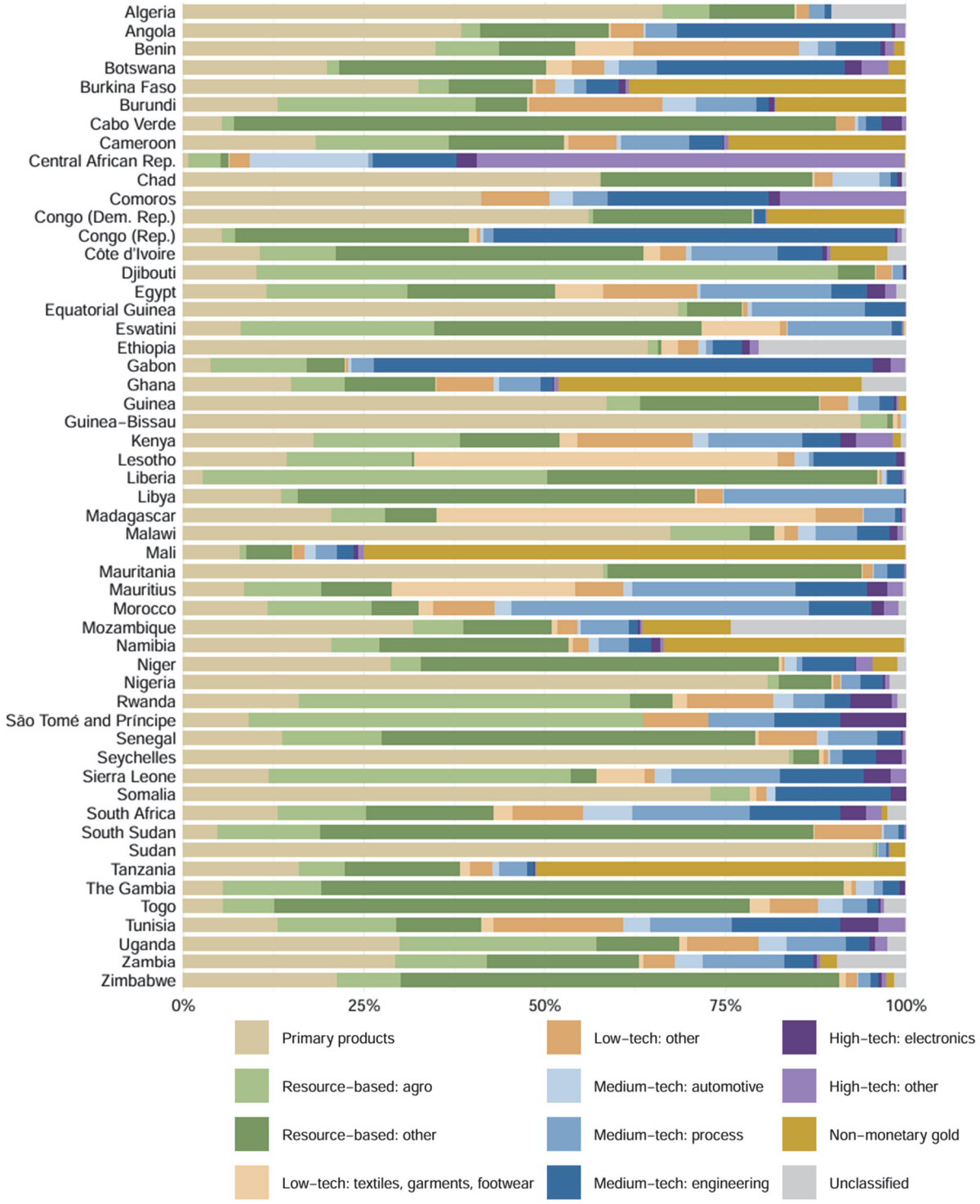


Source: Authors' calculations based on CEPII BACI, version 202601 (HS 2012). Map: Natural Earth, accessed via the R package rnaturalearth (Massicotte & South, 2023).

* Note: Intra-AfCFTA trade balance by country, 2023–2024: exports to other AfCFTA countries minus imports from other AfCFTA countries, annual average in million USD (current USD, FOB). Blue: net exporters within the region; red: net importers. The colour scale is capped at ±[3,000] million USD; values beyond are shown in the end colour. As both sides are based on the same bilateral flows, the balances of all countries sum to zero. AfCFTA comprises the 54 signatory states (as of October 2026). Grey: Eritrea (not a signatory) and Western Sahara (no separate trade data); Somaliland is included in Somalia, as in trade statistics.

Figure 4: Composition of intra-AfCFTA exports by technology content

(2023-2024, Lall (2000) categories, % of each country's exports to AfCFTA countries)



Source: Authors' calculations based on CEPII BACI, version 202601 (HS 2012), Lall (2000), UNCTAD (n.d.) and UNSD (n.d.).

* Note: Composition of each country's exports to other AfCFTA countries by technology content, 2023–2024 (sum of both years), in %. Technology categories according to Lall (2000) in the detailed version provided by the United Nations Conference on Trade and Development (UNCTAD); products mapped from HS 2012 to SITC Rev. 3 using the correspondence table of the United Nations Statistics Division (UNSD). Non-monetary gold (SITC 971) is not allocated to a technology category by Lall and is shown separately. "Unclassified" comprises electric current (SITC 351, [88.6] %) and printed matter (SITC 892, [11.1] %); the remainder are other special items. Countries in alphabetical order. Values in current USD (FOB). AfCFTA comprises the 54 signatory states (as of October 2026).

6. Conclusions

As the outgoing chair of the Council of Ministers observed in 2026, the Agreement's success can no longer be measured solely by the number of protocols adopted, but by the ability to translate them into tangible economic realities. On that test, the AfCFTA five years after it opened for trade under AfCFTA preferences is best described not by a single verdict but by the uneven state of its three dimensions: a legal framework that is advanced but not yet complete, an administrative layer that remains a work in progress, and an economic promise whose decisive test, whether the Agreement changes what Africa produces and trades, has barely begun.

The first and most important conclusion is that there is, as yet, little meaningful trade under AfCFTA preferences. The volumes moving under the new rules remain small, and most intra-African commerce continues to flow under pre-existing regional arrangements. Measured as a share of Africa's total exports, intra-African trade has in fact declined over the very period in which the Agreement was negotiated and brought into force. The baseline the AfCFTA is meant to reverse has, if anything, deteriorated.

The reasons lie in both of the dimensions that sit between the legal text and the market. Part of the explanation is administrative: the capacity to operate the Agreement (gazetted schedules, functioning customs systems, certification and RoO machinery) has lagged behind the legal commitments. The Guided Trade Initiative served as a practical testing ground for identifying implementation bottlenecks and developing a more targeted and coordinated agenda for making the AfCFTA operational. But part is legal in a narrower sense: the slow adoption of the details such as the schedules, annexes and appendices without which the headline rules cannot actually be applied. Progress has been most tangible in trade in goods, where the legal basis can realistically be completed, and where the provisional start of tariff reductions dating from 2021 is an important factor.

The other components are advancing only gradually. Trade in services is still being negotiated and slowly progressing, and the Phase II and III protocols, though adopted, are not yet in force. This again risks the potential uptake of trade in goods despite a complete legal and administrative basis. Kassa et al. (2026) note that 'regulatory complexity arising from the intersection of various nontariff measures, services regulation, and overlapping memberships provides gate-keeping players — customs, standards agencies, professions, and cartels — opportunities for rent-seeking and opposition to implementation.' (p.97, citing Brenton and Isik 2012; Schiff and Winters 2003).

The binding constraint thus sits still at the legal and administrative level and the activities to improve these processes and their financing. External development partners provide technical and financial support for AfCFTA implementation. Where that support could be most useful is building capacities that enable trade and productive capacities: training and equipping customs and standards agencies, helping to develop the outstanding regulatory frameworks and mutual-recognition arrangements, and strengthening the behind-the-border systems for testing, certification and SPS/TBT.

Yet, the AfCFTA is an African-led integration project, with its political agenda and priorities determined by the African Union and its member states. The central challenge is therefore not simply one of financing, but of political commitment and institutional capacity. Sustainable implementation requires State Parties to prioritise regional integration, allocate adequate domestic resources and strengthen their own institutions.

Finally, the economic promise must be read with the same care. Intra-African trade is indeed more manufacturing-intensive than Africa's trade with the rest of the world, and that composition is the strongest part of the developmental case. But a high manufacturing share

should not be mistaken for an automatic developmental payoff. It is concentrated in a few hubs that run the surpluses, it is dominated by resource-based and medium-technology products rather than frontier industries. Most importantly, a manufactured good crossing an African border shows that markets are integrating at a low degree, not that production is. Turning regional market integration into regional production integration is precisely the task the planned Protocol on Industrial Policy is meant to address. It is on that transition, not on trade flows alone, that the industrial promise of the AfCFTA ultimately depends.

These conclusions converge with two recent contributions that frame the challenge from complementary angles. Measured against the monitoring chain proposed by Baker et al. (2026), the AfCFTA in 2026 sits at its first two links: the legal commitments are substantially in place and implementation has begun, but the economic outcomes and development impacts the chain leads to remain conditional — 'without the enabling conditions' as they put it, 'the AfCFTA risks remaining an ambitious legal framework with only partial economic effects'. Kassa et al. (2026) emphasize that integration depends importantly on productive capacity and the regional public goods. Both publications underline that the Agreement's legal architecture is a necessary foundation, but on its own it changes little.

Over the last decade, the AfCFTA has built the groundwork with a complex legal base and first implementation works. Whether it becomes a genuine instrument of structural transformation, rather than a continental market layered over unchanged national production systems, will be decided in the administrative and productive spheres, over the next decade. In the context of changing market access to the United States and the European Union, the AfCFTA may gain further importance to the extent it promotes a regional market for African producers.

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Authors

Bernhard Tröster is an economist and senior researcher at the Austrian Foundation for Development Research (ÖFSE), specializing in international trade and global production networks in the commodity sectors.

Melike Döver is an economist working on trade and industrial policy. Her doctoral research at Freie Universität Berlin examined regional market integration as an industrial policy instrument, including the automotive value chain in the Southern African Development Community.

Robert Kappel is Professor Emeritus at the Universities of Hamburg and Leipzig and former President of the GIGA German Institute of Global and Area Studies in Hamburg. His research focuses on Africa's economic development, small and medium-sized enterprises, and global power shifts.