

# The African Continental Free Trade Agreement (AfCFTA)

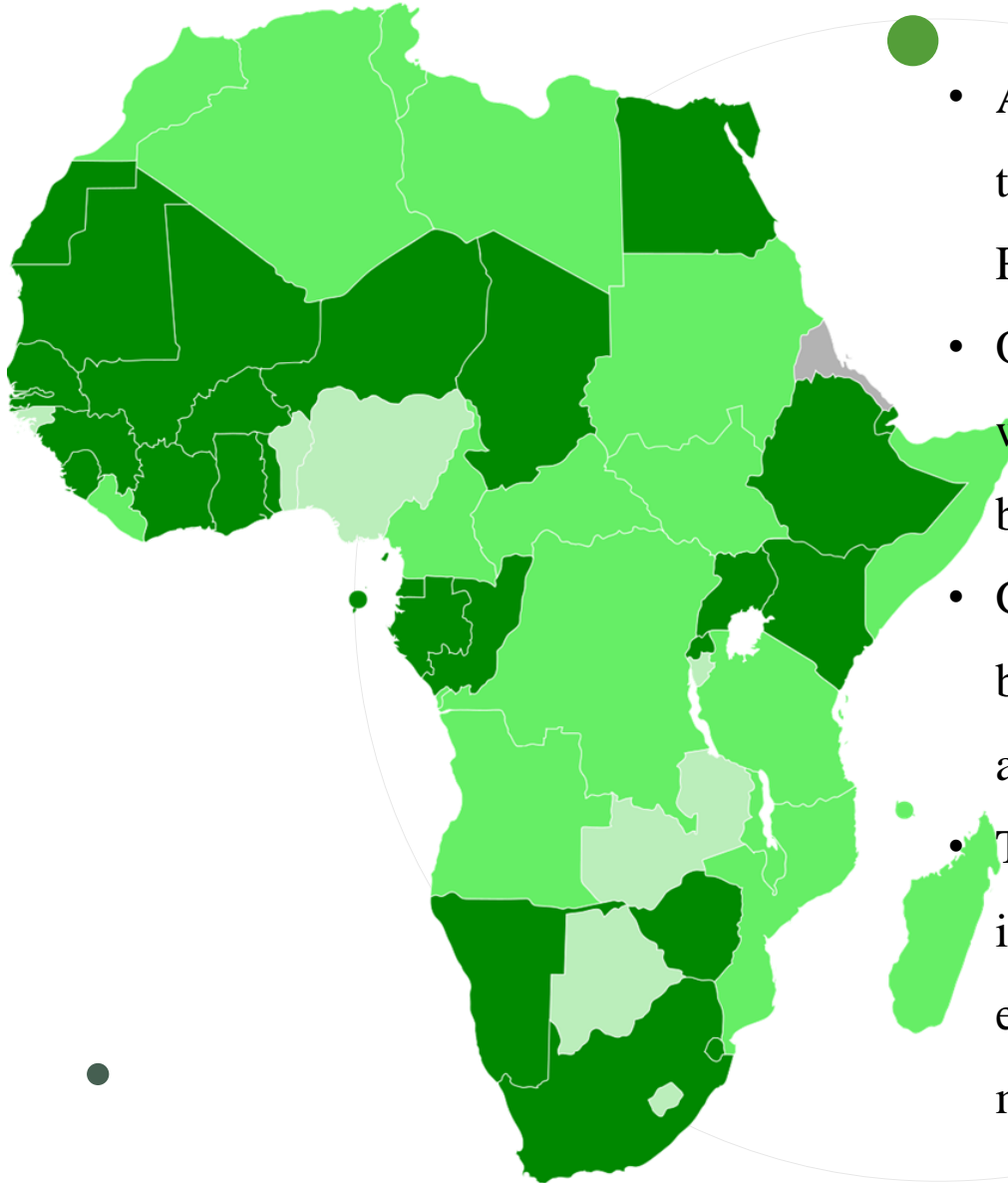
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# Background and Summary



- A trade agreement among AU member states that came into effect on 30 May 2019 after being signed in Kigali, Rwanda on **21 March 2019**.
- On 7 July 2019, the Operational Phase of the Agreement was launched in Niamey, Niger. To date, all AU Member Countries but Eritrea have signed and 22 Countries have ratified.
- Ghana has been selected to host the AfCFTA Secretariat, which will be responsible for coordinating the implementation of the agreement.
- This is the world's largest free trade zone by number of countries. It is expected that the tariff free intra African trade provision of the agreement will boost intra African trade by **52% by 2022**.



## Objectives of the AfCFTA



- Expand intra African trade through better harmonization and coordination of trade liberalization and facilitation regimes and instruments across RECs and across Africa in general
- Enhance competitiveness at the industry and enterprise level through exploiting opportunities for scale production, continental market access and better reallocation of resources.

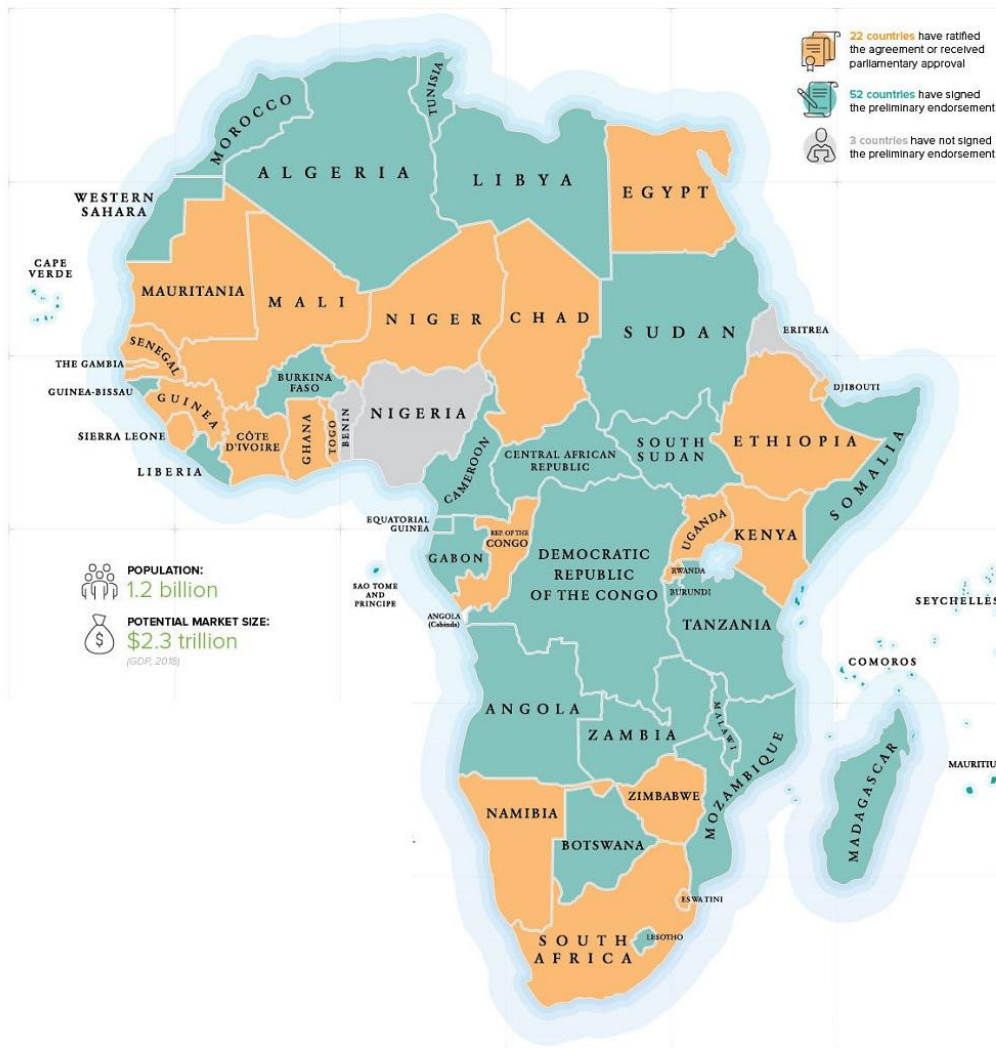


- Create a single continental market for goods and services, with free movement of business persons and investments, and thus pave the way for accelerating the establishment of the Continental Customs Union and the African customs Union.
- Resolve the challenges of multiple and overlapping memberships and expedite the regional and continental integration processes






## AfCFTA and the Digital Economy



The AfCFTA aims to use the following governing instruments to operationalize the agreement

- The rules of origin
- The online negotiating forum
- The monitoring and elimination of non-tariff barriers
- A digital payments system
- The African Trade Observatory

## Provisional Safeguard Measures

1. Critical circumstances where delay would cause damage which would be difficult to repair, the State Party concerned may take a provisional preferential safeguard measure pursuant to a preliminary determination that there is clear evidence that increased imports have caused, or are threatening to cause Serious Injury.
  2. The State Party intending to apply such a provisional safeguard measure shall, prior to such application, immediately notify the Secretariat and State Parties concerned.
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3. The duration of the provisional safeguard measure shall not exceed two hundred (200) days, during which period the pertinent requirements of this Annex and the AfCFTA Guidelines shall be met. The duration of such provisional safeguard measures shall be counted as part of the initial period and any extension referred to in this Annex and the AfCFTA Guidelines.
  4. Such measures shall take the form of tariff increases to be promptly refunded if the subsequent investigation referred to in this Annex and the AfCFTA Guidelines does not determine that increased imports have caused or threatened to cause Serious Injury to a Domestic Industry



THANK YOU