



International  
Trade  
Centre

TRADE IMPACT  
FOR GOOD

# AfCFTA opportunities and challenges for Africa's youth

Youth and Trade Team  
International Trade Centre

AfCFTA Youth Day, 9<sup>th</sup> of November 2022



# Outline

1. Mitigating impact & removing hurdles to intra-African trade
2. Entrepreneurial opportunities in value chains
3. Opportunities for collaboration and supporting inclusion

# 1. Mitigating impact and removing hurdles

## Improving productive capacities

- Diversifying products and increasing value addition.
  - ITC project: Horticulture market centre in Lesotho
  - The case of Enda Athletic
- Creating sustainable market linkages
  - ITC project: The case of GFP Organics Ltd in Tanzania and spice producers



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# 1. Mitigating impact and removing hurdles

## Improving logistics and infrastructure

- Using digital technology for logistic tracking
  - The case of Kobo360
- Improving road transport
  - The case of Trans-African Highways
- Creating a common air space
  - Applying the Single African Air Transport Market



Image: [africalogisticsmagazine.com](http://africalogisticsmagazine.com)

# 1. Mitigating impact and removing hurdles

## Reducing non-tariff barriers

- The case of the Pan African Payment and Settlement System (PAPSS)
- The African Trade Observatory (ATO)
- Non-tariff barriers reporting, monitoring and eliminating mechanism

# 1. Mitigating impact and removing hurdles

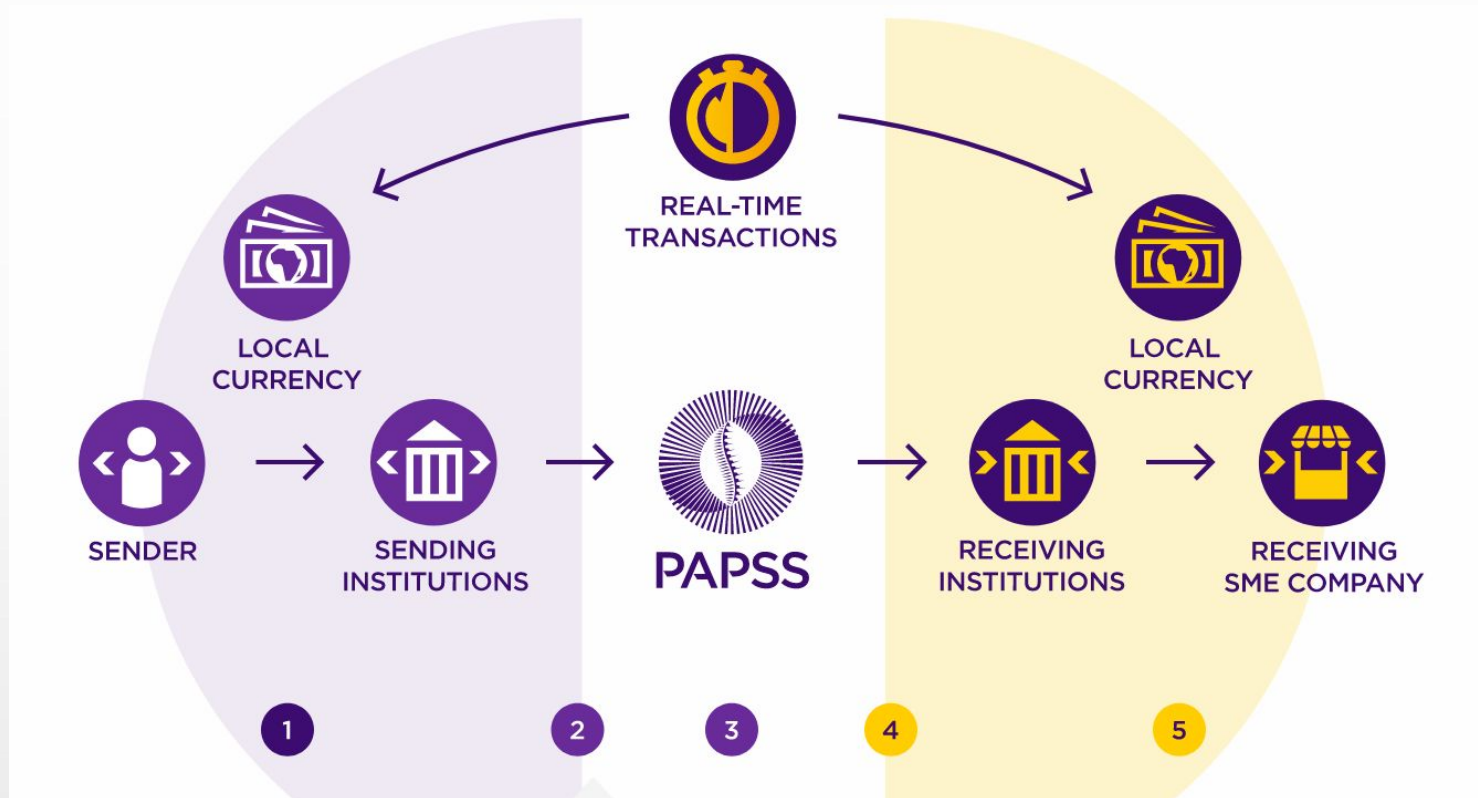


Image:papss.com

# 1. Mitigating impact and removing hurdles

## First successful transaction on PAPSS platform

First Bank of Nigeria



Ghana Commercial Bank



# 1. Mitigating impact and removing hurdles

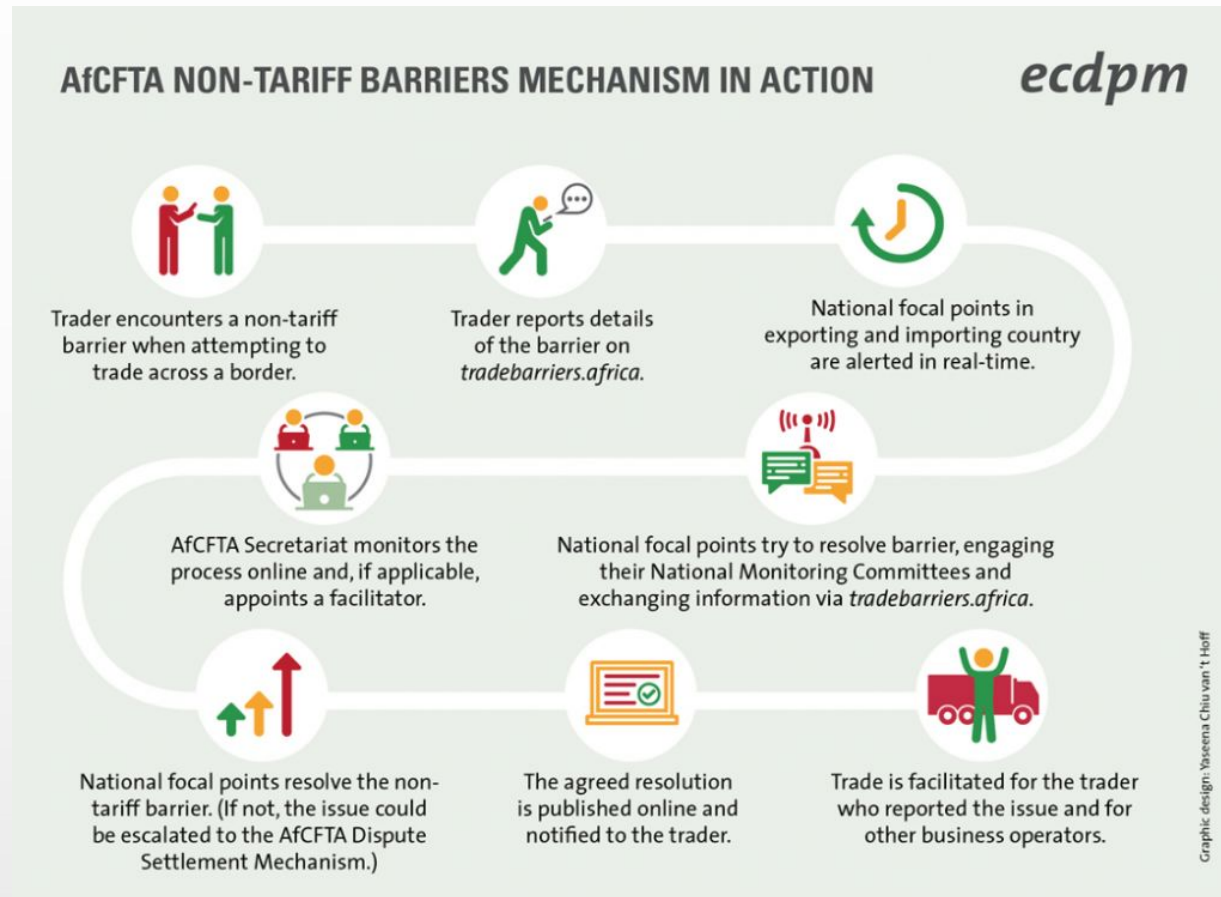
The screenshot displays the African Trade Observatory website interface. At the top left, there is a logo of the African continent with the text "African Trade Observatory" and "BETA" next to it. The navigation menu includes "Home", "About", "Resources", "English", and a "Login" button.

The main content area features three interactive modules:

- Compare:** Includes an icon of two cubes. The text reads: "Compare trade and market access information across countries, products or markets." Below this are three tabs: "Markets" (selected), "Products", and "Exporters". There are two dropdown menus: "Choose an exporter" and "Choose a product", followed by a blue "START" button.
- Explore:** Includes an icon of a magnifying glass. The text reads: "Find detailed trade and market access-related information for a country-product-market combination." Below this are three dropdown menus: "Choose an exporter", "Choose a market", and "Choose a product", followed by a brown "START" button.
- Monitor:** Includes an icon of a bar chart with a line graph. The text reads: "Monitor state of intra-African integration over time and track advanced trade indicators." Below this is a red "LOGIN TO START" button and a small note: "See a preview of the Monitor module".



# 1. Mitigating impact and removing hurdles



# 1. Mitigating impact and removing hurdles



**The AfCFTA Initiative On Guided Trade**

**Participating Countries**

Cameroon, Egypt, Ghana, Kenya, Mauritius, Rwanda, Tanzania and Tunisia.

**All other countries are welcome to come on board!**

 AfCFTA Secretariat

# 1. Mitigating impact and removing hurdles



## 2. Entrepreneurial opportunities in value chains

### Service value chain

- Priority services under the AfCFTA
  - Financial services
  - Communication
  - Transport
  - Tourism
  - Business

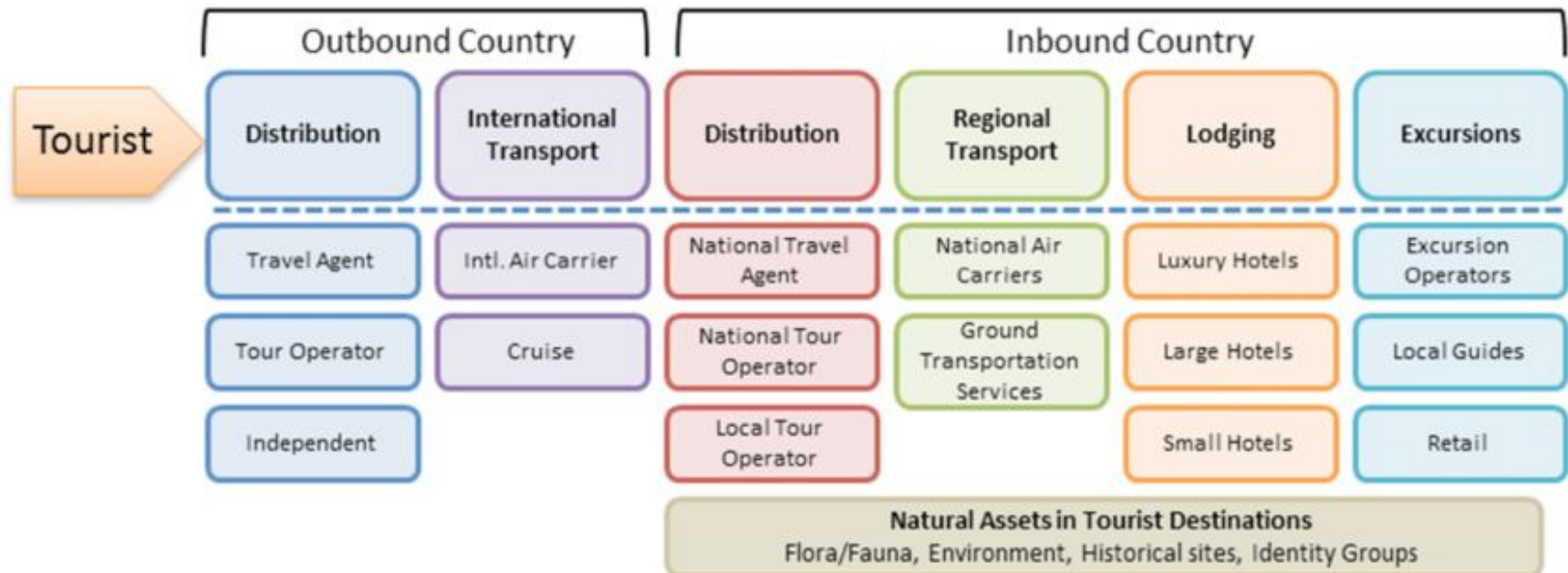
## 2. Entrepreneurial opportunities in value chains

### Service: The case of tourism value chain

- In 2019, domestic tourism accounted for 55% of continental travel and tourism spending
- Tourism contributed \$169 billion to Africa's economy – A combined GDP of Côte d'Ivoire and Kenya
- Nearly \$55 billion and two million jobs were lost was lost in the first three months of COVID-19
- Tourism is expected to pick up in the second half of 2022.

## 2. Entrepreneurial opportunities in value chains

### Service: The case of tourism value chain



## 2. Entrepreneurial opportunities in value chains

### Business Case: Chez Leontine

- Leontine Keita
- Founder of Camp “le Bedik” Chez Leontine, Senegal



## 2. Entrepreneurial opportunities in value chains

### Business Case: Chez Leontine

- Opportunity
  - Showcasing the cultural identity of the Bassari and Bedik communities.
- Experience gathered from
  - Worked as tour guide
- Funding
  - In-kind support (land) from her father



## 2. Entrepreneurial opportunities in value chains

### Business Case: Chez Leontine

- Success
  - Eight huts for accommodation with bathrooms
  - Independent kitchen
  - A dining hall
  - Available water inside the camp
  - Solar panels

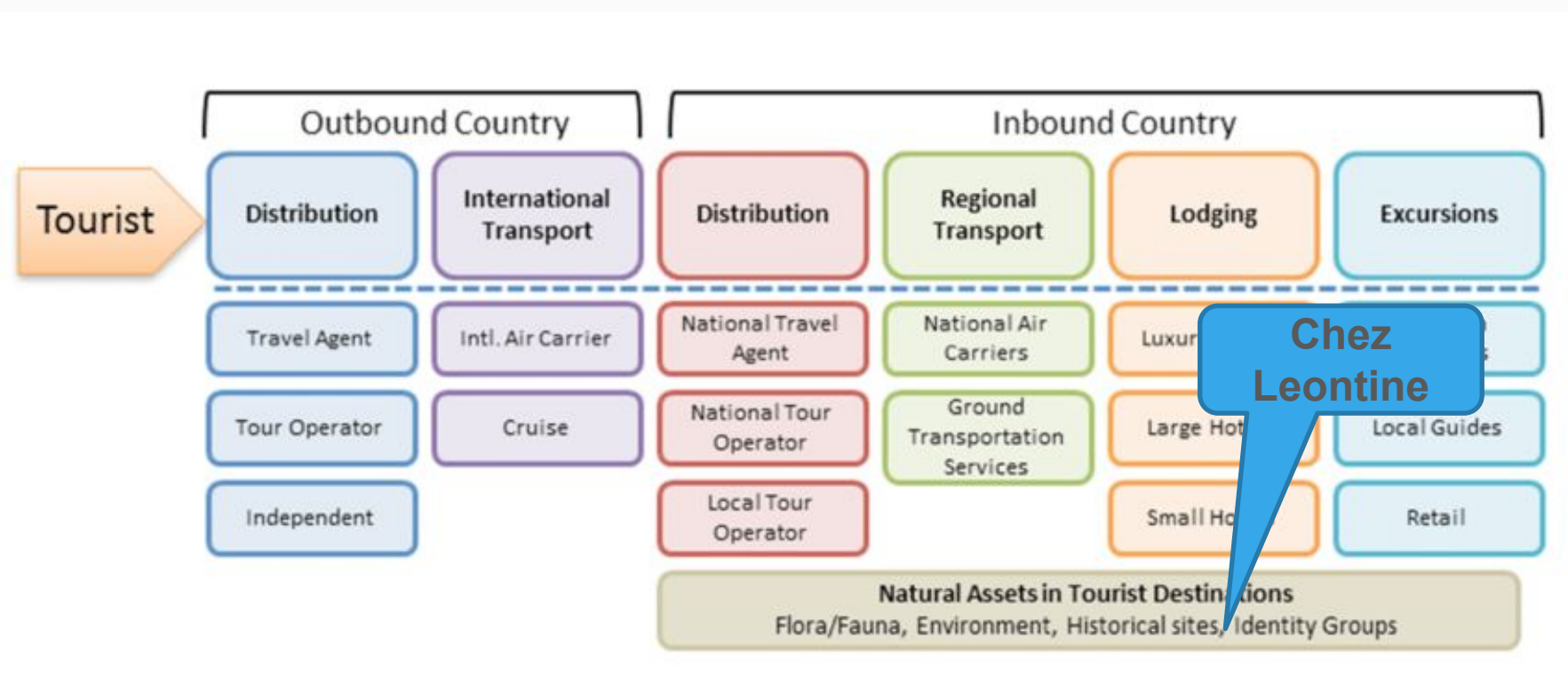
## 2. Entrepreneurial opportunities in value chains

### Business Case: Chez Leontine

Challenges	Mitigating strategy
Lack of resources	Perseverance spirit
Inadequate access to water	Collaborated with the Banesto Foundation to drill well in the camp

## 2. Entrepreneurial opportunities in value chains

### Business Case: Chez Leontine



## 2. Entrepreneurial opportunities in value chains

### Useful lessons for the AfCFTA

- Have a good understanding of the product or service and its value chain in which you want to start a business or expand.
- Strongly consider creating partnerships with entrepreneurs in other countries in Africa.
- Constantly inform yourself about trends in your sector and the AfCFTA.

### 3. Opportunities for collaboration and supporting inclusion

Understand changes in operations as a result of AfCFTA:

- Regional value chains in products and services
- Investment opportunities
- Impacts on and opportunities for women- and youth-owned businesses and key sectors
- Bottlenecks/NTBs

Supporting MSME competitiveness

- Market and supply chain linkages
- Invest in entrepreneurship & innovation, scale up what works
- Upgrade education, training, skill development (esp digital)
- Technical training in sectors likely to gain from trade

Contribute to the AfCFTA Policy

- Engage with the AfCFTA National Committees on national implementation
- Explore business, trade and work opportunities within Africa
- Join national and regional chambers of commerce, industry, and professional associations

# References

Jaco Maritz (2018). How we made it in Africa: Learn from the stories of 25 entrepreneurs who've built thriving businesses. ISBN 978-0-6208184-3-8

<https://www.howwemadeitinafrica.com/namibia-entrepreneur-quits-job-and-moves-back-home-to-start-agribusiness-venture/90063/>

A Ticket to Recovery: Reinventing Africa's Tourism Industry

[https://www.ifc.org/wps/wcm/connect/news\\_ext\\_content/ifc\\_external\\_corporate\\_site/news+and+events/news/reinventing-africa-tourism#:~:text=Over%20the%20past%2020%20years,Ivoire%27s%20and%20Kenya%27s%20combined%20GDP.](https://www.ifc.org/wps/wcm/connect/news_ext_content/ifc_external_corporate_site/news+and+events/news/reinventing-africa-tourism#:~:text=Over%20the%20past%2020%20years,Ivoire%27s%20and%20Kenya%27s%20combined%20GDP.)