# More Than Trade:
## AfCFTA and Africa's Development Agenda in a Fragmenting Global System

by **Tsion Bergano**

Nairobi Park in Kenya.

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> "Rather than restoring a system that has long excluded it, Africa is institutionalizing its own terms of engagement."


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I was in the room in 2018, when the African Continental Free Trade Area Agreement (AfCFTA) was signed in Kigali, Rwanda, on 21 March 2018. I vividly remember the mood among staff of the African Union Commission and African diplomats – there was a sense of optimism, even celebration. It was palpable. There was also a quiet recognition of the long-standing frustration with our own limitations in advancing our collective self-interest, and with the structural marginalization that has kept Africa in a repetitive cycle.

That early confidence has gained renewed meaning in a global context defined by fractured supply chains, protectionism, and the weakening of multilateral norms. From the vantage point of the Global North, these trends appear as unprecedented disruptions. From an African perspective, however, this moment is less a rupture than a continuation of an older pattern. The continent's position in the global economy has long been characterized by structural asymmetries, limited representation, and the persistent sidelining of its interests.

The AfCFTA's adoption can thus be read as a conscious response to these historical conditions to build an alternative framework of cooperation. The agreement represents an evolving development agenda aimed at restructuring intra-African economic relations, strengthening collective capacity, and reducing external dependency.

## Historical Context: Africa's Structural Marginalization

Africa's entry into the global economy has always been lopsided. During colonial times, the continent was molded to supply raw materials, while any effort at manufacturing or value addition was suppressed or outright blocked. After decolonization, development strategies, frequently influenced by external actors, kept these old patterns alive. Structural adjustment programs from the 1980s onward doubled down on primary exports at the expense of industrial growth.

The post-1945 trading system, despite all its talk of global inclusion, mirrored the power imbalances of those early years. In practice, decision-making in institutions like the General Agreement on Tariffs and Trade (GATT) and, later, the World Trade Organization (WTO) rested with rich, industrialized countries. African states were rarely at the table when rules were written. Instead, they became rule-takers, not rule-makers, and their options for shaping their own futures were sharply limited.

This history casts current disruptions in a different light. For Africa, the cracks in multilateralism do not signal catastrophe; they simply lay bare a truth long understood on the continent: these global rules were never built for Africa's development.

## AfCFTA's Design and Development Logic

The AfCFTA, which entered into force in 2021, brings together 54 signatory states, with 49 having ratified the agreement. It creates the world's largest free trade area by membership, linking 1.4 billion people and an economy valued at over 3 trillion dollars. Its scope extends well beyond tariffs, covering services, investment, intellectual property, competition policy, and digital trade.

What distinguishes the AfCFTA is how explicitly it connects trade to development. The agreement allows for gradual liberalization, safeguards for sensitive sectors, and policy space for countries to align trade commitments with broader economic strategies. This flexibility recognizes that diversity across the continent can be managed.

Trading under the AfCFTA officially commenced in January 2021. That said, this is not to suggest that Africa has fully realized its economic >


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> **The AfCFTA shows that integration can proceed without uniformity, and that cooperation can be sustained even in conditions of inequality.”**

integration ambitions. Implementation on the ground remains complex and, at times, uneven. A range of factors continue to pose challenges, including infrastructure gaps and the limited readiness of existing systems to adapt to the new trade regime. Nevertheless, the political will remains strong, and the commitment to making the AfCFTA work is clearly there.

AfCFTA was never meant to be just a tariff-cutting exercise. Its objectives go well beyond trade liberalization. They include industrial development, diversification, and the promotion of regional value chains. What that means in practice is a shift in how Africa positions itself economically. Instead of exporting raw materials in isolation, the idea is to build production systems that operate across borders. Processing, manufacturing, logistics, financing, and distribution can all happen within the continent.

Take coffee as a simple example. A country like Ethiopia should not be limited to exporting raw beans. Under an AfCFTA logic, inputs could come from one country, processing could happen in another, packaging elsewhere, and the final product distributed across the continent. That is the kind of integration being envisioned.

## Implementation in Motion

At an AfCFTA training for Ethiopian businesses, one exporter described how the framework had shifted his outlook. His company, which produces strawberries, had traditionally exported to the UAE and Europe. When flights were disrupted because of the closure of the Strait of Hormuz, he faced significant losses and began looking closer to home. Within weeks, he identified buyers in Nigeria and completed his first shipment under AfCFTA procedures. “I had never thought of trading within Africa before,” he said, “but now I need to understand how it works.” His experience reflects a broader shift in how African businesses are beginning to see the continent as a market.

Progress has been steady, even if uneven. 49 states parties have exchanged tariff offers, with 46 verified by the AfCFTA Secretariat. 22 countries have gazetted their tariff schedules. More than 11,000 AfCFTA certificates of origin have been issued, giving traders access to preferential markets within the continent.

The rules of origin have now been completed, providing a consistent regulatory basis for trade. Services liberalization is advancing through national schedules covering sectors such as finance, transport, tourism, communication, and business services. The Protocol on Digital Trade has been adopted, establishing a continental framework for e-commerce and data governance.

Financial integration is also progressing. The Pan-African Payment and Settlement System (PAPSS) is operational in eleven countries, allowing cross-border transactions in local currencies. While still limited in scale, this represents a practical step toward reducing transaction costs and reliance on external financial systems.

Taken together, these developments are steadily transforming the AfCFTA from an institutional project into a practical reality for businesses and traders across the continent.

Addis Abeba, Ethiopia:
The Headquarters of the African Union.


## Strategic Autonomy in a Multipolar World

The AfCFTA is taking shape in a global context that is itself shifting. Economic power is becoming more dispersed, and traditional centers of influence are no longer as dominant. For Africa, this presents both risks and opportunities. Growing geopolitical competition, fragmented supply chains, and rising protectionism create new uncertainties for African economies. At the same time, they create incentives for deeper regional integration and stronger collective action.

By strengthening intra-continental integration, the AfCFTA enhances Africa's ability to negotiate collectively on issues such as debt, climate finance, and supply chains. It also allows for more balanced engagement with external partners, including the European Union, China, and India. While asymmetries remain, collective action strengthens Africa's negotiating position.

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## A Mirror for Europe and Other Regions

For Europe, which has often regarded itself as the reference point for integration, Africa's approach offers a useful comparison. The European Union developed through deep legal harmonization among relatively aligned economies. Africa's integration, by contrast, begins from diversity and proceeds through gradual convergence. The European model emphasizes rule-making and standardization, whereas the AfCFTA places greater emphasis on coordination, flexibility, and policy space.

As European leaders grapple with fragmentation, economic divergence, and renewed debates on sovereignty, Africa's approach offers a different perspective. It suggests that flexibility does not necessarily undermine integration, but can be a condition for sustaining it. Where Europe's strength has traditionally been institutional depth, Africa's may lie in political adaptability, a form of cooperation designed to function despite structural differences.

The AfCFTA shows that integration can proceed without uniformity, and that cooperation can be sustained even in conditions of inequality. In a period where global systems are under strain, Africa's experience offers a valuable perspective on how integration can remain resilient, adaptive, and forward-looking.

## Conclusion: From Participation to Agency

Eight years after Kigali, the AfCFTA is better understood as a process rather than a single moment. Its progress is visible in practical developments: certificates of origin issued, businesses trading under AfCFTA preferences, payment systems facilitating cross-border transactions, and services commitments gradually taking shape. None of these developments is transformative on its own. Collectively, however, they reflect a continent steadily building the institutions, practices, and confidence necessary to shape more of its own economic future.

Africa is gradually exercising greater influence over the frameworks that shape its economic future. The AfCFTA reflects this shift through the development of institutions and rules grounded in African priorities. Its significance lies in strengthening the continent's capacity to shape its own development trajectory.
For the strawberry exporter in Addis, this transformation is tangible. Faced with disruptions in traditional export markets, he found new opportunities within Africa itself. His experience reflects a broader realization among African businesses: a growing recognition that resilience can be built through African markets and African demand.

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