



United Nations
Economic Commission for Africa



SURVEY REPORT

Perception of the East
African Community private
sector on the African
Continental Free Trade Area





United Nations
Economic Commission for Africa



SURVEY REPORT

Perception of the East
African Community private
sector on the African
Continental Free Trade Area

To order copies of *Survey report: Perception of the East African Community private sector on the African Continental Free Trade Area*, please contact:

Publications Section
Economic Commission for Africa
P.O. Box 3001
Addis Ababa, Ethiopia
Tel: +251 11 544-9900
Fax: +251 11 551-4416
E-mail: ecainfo@uneca.org
Web: www.uneca.org

© 2021 Economic Commission for Africa
Addis Ababa, Ethiopia

All rights reserved
First printing May 2021

Material in this publication may be freely quoted or reprinted.
Acknowledgement is requested, together with a copy of the publication.

The designations employed in this report and the material presented in it do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Economic Commission for Africa or the African Union concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

Designed and printed in Addis Ababa, Ethiopia by the ECA Printing and Publishing Unit. ISO 14001:2015 certified.
Printed on chlorine free paper.

Cover photos: <https://www.shutterstock.com>

Contents

Acknowledgements	iv
Executive summary	v
Abbreviations	vi
I. Introduction	1
II. Overview of the survey	3
III. Profile and distribution of the survey respondents	5
IV. Trade characteristics of the survey respondents	11
V. Awareness of the African Continental Free Trade Area and its benefits	13
VI. Potential risks in light of the African Continental Free Trade Area	22
VII. Necessary reforms in light of the African Continental Free Trade Area	23
VIII. Impact of COVID-19 on implementation of the African Continental Free Trade Area	26
IX. Private sector involvement and participation	28
X. Conclusion and recommendations	31
Annex I: East Africa private sector survey on the implementation of the African Continental Free Trade Area	33
Annex II: Interview questions	45

List of Figures

Figure 1: Companies' headquarters in EAC region	5
Figure 2: Business presence in the African continent.....	6
Figure 3: Business presence outside the African continent.....	7
Figure 4: Gender of the business owner/chief executive officer/managing director.....	7
Figure 5: Nature of company shareholding	8
Figure 6: Size of the business	9
Figure 7: Sector of the business.....	9
Figure 8: Percentage composition of minority groups on the board of directors.....	10
Figure 9: Export markets	11
Figure 10: Import markets	12
Figure 11: Level of awareness of the African Continental Free Trade Area	13
Figure 12: Access to relevant AfCFTA information	14
Figure 13: Awareness of AfCFTA opportunities	15
Figure 14: Awareness of the compensatory mechanisms	15
Figure 15: Awareness of AfCFTA operational instruments	16
Figure 16: E-commerce in light of COVID-19.....	17
Figure 17: Anticipated challenges during the implementation of AfCFTA.....	18
Figure 18: Expected time to realize AfCFTA benefits.....	19
Figure 19: The level of importance of the protocol on investment.....	19
Figure 20: The level of importance of the protocol on e-commerce	20
Figure 21: Awareness of the protocol on the dispute settlement system.....	21
Figure 22: Fears of AfCFTA	22
Figure 23: Barriers/restrictions to trade	23
Figure 24: Potential challenges while implementing AfCFTA	24
Figure 25: Envisioned AfCFTA challenges by EAC companies	25
Figure 26: The impact of COVID-19 on businesses	26
Figure 27: Private sector engagement in AfCFTA implementation	29
Figure 28: Required support for the private sector.....	29
Figure 29: Required support for private sector associations.....	30

Acknowledgements

This survey report is an initiative of the East African Community (EAC) and the Economic Commission for Africa (ECA), to collect the views of the private sector on the African Continental Free Trade Area (AfCFTA). The process of developing the survey was done under the guidance of Stephen Karingi, Director of the Regional Trade and Integration Division at ECA, and Mama Keita, Director of the ECA Subregional Office for Eastern Africa, as well as the supervision of David Luke, Coordinator of the African Trade Policy Centre at ECA.

Special thanks go to the consultants, Miriam Mondosha and Geoffrey Kamanzi, who administered the survey and drafted the report. The report was developed with technical support and valuable inputs from the ECA team, which included Judith Ameso, Nadira Bayat, Simon Mevel and Andrew Mold. It also benefitted from guidance and inputs of the EAC secretariat, led by Angelique Umulisa and Geoffrey Osoro. Special appreciation goes to the East Africa Community Business Council and various private sector companies that participated in the survey.

Executive summary

Three years after its signing, AfCFTA is expected to connect 1.3 billion people across 55 countries with a combined gross domestic product valued at US\$3.4 trillion. The successful implementation is dependent on putting in place significant policy reforms and trade facilitation measures.

As with any other preferential trade agreement, AfCFTA should achieve the objectives agreed upon. Importers, exporters, investors and service providers must be able to trade under improved conditions and better rules, so that consumers and Governments can benefit. Without the prospect of real benefits, the private sector will not invest in new cross-border commercial ventures, hence their importance in being at the centre, driving its implementation agenda.

This report documents the main findings of a survey undertaken on the EAC private sector on how it perceives the opportunities, constraints and policy re-

also show that there is slow intra-Africa trade, with a high dependence on Asian and European markets. On the contrary, respondents manifest a willingness to invest in the rest of the African regions but are limited by various unharmonized fiscal and regulatory policies that would lead to slow implementation of the Agreement Establishing the African Continental Free Trade Area. Furthermore, it is worth noting from the findings that, due to the outbreak of COVID-19, the private sector in the EAC region has been adversely affected, thereby leading to low interconnectivity with the rest of the continental trade and investment counterparts between EAC and the rest of the world.

To effectively tap into the opportunities, the majority of respondents are of the view that there is a need to roll out sensitization campaigns of AfCFTA to the private sector. Other recommendations include fast-tracking the negotiations of the remaining phases, harmonizing trade

预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/report?reportId=5_336

