



3rd Regional Dialogue on WTO Accessions for Africa: *Deepening economic integration in Africa through WTO membership and AfCFTA implementation*

Empirical assessment of the impact of the AfCFTA



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AfCFTA: Expected impacts – GDP & Exports

- From ECA's recent empirical assessment of AfCFTA modalities on trade in goods:
 - Africa's GDP and exports would increase (true for all countries):
 - But those global gains remain relatively modest (owing to the fact that African countries today essentially trade with non-African partners; with AfCFTA, African countries to trade more between them and relatively less with the rest of the world).
 - Benefits from AfCFTA very much centered on intra -African trade (IAT):
 - Illustration on the next slide.

AfCFTA: Expected impacts – IAT

- Change in intraAfrican exports by main secors, as compared o the baseline withoutAfCFTAn place- 2040- US\$bn (various scenarios)

AfCFTA: Expected impacts – Tariff revenues & Welfare

Beyond AfCFTA

- On 25 Sept. 2014, Roberto Azevedo (WTO-DG) stated that regional trade agreements “are important for the multilateral trading system by they cannot substitute it” as there are “global problems demanding global solutions” ;
- Surely, regional integration cannot be Africa’s sole trade strategy:
 - Africa’s share in global trade is only about 3% today (which is almost the same as two decades ago);
 - Although full of potential, continental market unlikely to provide trade opportunities that are ample enough to significantly increase Africa’s position in the world trade landscape;
 - African economies needs to open up with other partners outside the continent.
- However, the right sequencing of trade policy reforms matters substantially
 - Africa’s top priority should be to establish the AfCFTA along with complementary rgd 24 >>B

THANK YOU!

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