Nairobi Forum
Democratizing trade information across the continent

19 November 2020

Cyril Chalendard (ITC)
1. **Limited continental integration**
   
i) Level of intra-continental trade: 17% (vs. Europe: 69%).

ii) Because of important trade costs
Factors hindering the development of international trade

Trade costs breakdown

Source: World Trade Report (WTO, 2018)
I. Continental trade

1. Limited continental integration
   i) Level of intra-continental trade: 17% (vs. Europe: 69%).
   ii) Important trade costs

2. High transaction cost
   i) Limited availability of trade-related info
      a. 1/3rd of countries do not have a functioning trade promotion portal
      b. Only 50% of countries display online (relatively aggregated) trade stats

=> Unexploited export opportunities
=> Lack of evidence-based policymaking
Factors hindering the development of international trade

Trade costs breakdown

- Transport costs
- Logistics costs
- Border costs
- Information and transaction costs
- Trade policy barriers
- Other costs

Source: World Trade Report (WTO, 2018)
II. African Trade Observatory

AU Heads of State and Government

Decision Assembly/AU/2 (XVIII) to establish a Continental Free Trade Area (CFTA) and to endorse the Boosting Intra-Africa Trade (BIAT) Action Plan was adopted on January 18th, 2012.
Main objectives of the ATO

- Collect, process and analyse trade and trade-related information from member states and other sources.

- Create an online Dashboard with relevant and detailed trade information on intra-African trade and opportunities for the public and private sectors.

- Monitor and evaluate the implementation process and impact of the AfCFTA and the BIAT.

- Provide a secured online “Tariff Negotiation Tool” to countries involved in tariff negotiations.
III. Improving the availability & quality of data

- **ATO data collection system**
  - REC stands for Regional Economic Community (e.g. EAC, COMESA etc)
  - Automation of data transfer from customs to the ATO
  - To generate innovative and updated indicators => real-time, granular & comprehensive data
  - Installed in 3 countries (Comoros, Madagascar and Uganda) – planned in Zambia
IV. Providing trade intelligence to African businesses

Collect, process and analyse trade and trade-related information from member states and other sources.

Monitor and evaluate the implementation process and impact of the AfCFTA and the BIAT.

Create an online Dashboard with relevant and detailed trade information on intra-African trade and opportunities for the public and private sectors.

Provide a secured online “Tariff Negotiation Tool” to countries involved in tariff negotiations.
A web platform designed to simplify SME’s market research in the context of AFCFTA implementation

- Provides access to trade intelligence
- To compare challenges and opportunities of the African markets
- To explore market access conditions and business partners to expand business within the continent
ATO Dashboard – beta version

Free access

Compare
Compare trade and market access information across countries, products or markets.

Choose an exporter
Choose a product
START

Explore
Find detailed trade and market access-related information for a country-product-market combination.

Choose an exporter
Choose a market
Choose a product
START

Monitor
Monitor state of intra-African integration over time

Choose an exporter
START
V. Monitoring African integration

Collect, process and analyse trade and trade-related information from member states and other sources.

Create an online Dashboard with relevant and detailed trade information on intra-African trade and opportunities for the public and private sectors.

Monitor and evaluate the implementation process and impact of the AfCFTA and the BIAT.

Provide a secured online “Tariff Negotiation Tool” to countries involved in tariff negotiations.
Analyzing African trade flows

Monitor

- Trade
  - Pattern
  - Performance
  - Integration
  - Opportunities

- Market Access
  - Tariffs
  - Taxes
  - Cross border time
  - Other procedures

- AfCFTA Policy Outlook
  - Tariff reduction
  - Tax revenue simulation
  - Trade simulation
Next immediate steps

Public release of the first 2 modules (Compare & Explore, beta version) during the next African Union Extraordinary Summit (December 2020).

ato.africa
Thank you for your attention

cchalendard@intracen.org