

9 ADVOCACY MESSAGES TO MAKE THE AFRICAN CONTINENTAL FREE TRADE AREA (AfCFTA) WORK FOR WOMEN

AN ADVOCACY BRIEF FOR UN WOMEN COUNTRY OFFICES AND CIVIL SOCIETY ORGANISATIONS IN AFRICA



Prepared by UN Women Regional Offices of West and Central Africa, East and Southern Africa and Arab States

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I. The AfCFTA: What is it, Why it is Important and How to Make it Work for Women

AfCFTA is an opportunity for growth and prosperity in the region. The African Continental Free Trade Area (AfCFTA) started trading on 1st January 2021, becoming the world's largest free-trade area and creating a market of 1.2 billion people. It presents an opportunity to accelerate intra-African trade and to use trade more effectively as an engine for growth and sustainable development. Moreover, the African Economic Outlook 2021¹ identified the AfCFTA as an essential lever for African economies to ensure resilience and economic transformation in the COVID-19 aftermath. As of 20th April 2021, 36 countries have deposited their instruments of ratification.

Prosperity and growth can only be accomplished if the AfCFTA agreement is fair and inclusive. However, because of pre-existing inequalities in African economies, the agreement's benefits will not be distributed equally along gender lines. **Women entrepreneurs and women-owned businesses are likely to miss out** on the opportunities brought by trade integration because they are mostly small, informal, and have low productivity. This is explained by multiple challenges from discrimination and social norms to limited capacity and access to finance. Women-led businesses and men-led businesses in the region do not play by the same rules. An example is the USD42 billion gender credit gap that SMEs experience in the region².

The development of the Women in Trade Protocol of the AfCFTA, negotiations for which are being initiated in 2021,

is a tremendous advocacy opportunity for Women CSOs across the region. During the Extraordinary Summit of African Union Heads of State and Government held in December 2020, the AfCFTA Secretariat was directed to draft a **Women in Trade Protocol**. Civil Society Organisations (CSOs) and women groups across the region are actively asked to participate in the protocol's formulation to voice women's views, interests, and needs.

How to make your voice heard. Women associations, women business networks, women entrepreneurs and any citizen can participate in the development of the protocol in several ways:

- **National consultations.** Get in touch with your UN Women or UNDP country office to ask for information about when the national consultation meeting will take place in your country;
- Expressing your voice in the **online survey** on Women in Trade which will be launched in June through the network of women associations, chambers of commerce, and other business organisations;
- Your government representatives' participation in the **high-level conference** on "Women in Trade" will take place in September in Accra. You can reach out to your government representatives, through the Ministries of Women/Gender, or Trade in your country to make your voice heard.

¹ African Development Bank. 2021. African Economic Outlook 2021. Abidjan.

² IFC (2017) "MSME finance gap: Assessment of the shortfalls and opportunities in financing micro, small and medium enterprises in emerging markets"

AfCFTA: WHAT IS IT AND WHAT IT MEANS FOR WOMEN-LED BUSINESSES

The African Continental Free Trade Area (AfCFTA) aims at expanding intra-African trade through better harmonisation and coordination of trade liberalisation and facilitation regimes and instruments across both, the regional economic communities (RECs) and Africa in general. The AfCFTA will progressively eliminate tariffs on intra-African trade, making it easier for African businesses to trade within the continent and cater to and benefit from the growing African market. The AfCFTA will:

- Open new continental and international markets in critical sectors in which women are engaged, such as agriculture, manufacturing (clothing and textiles), and services;
- Facilitate access to goods and services from other areas of the continent (e.g. inputs, packaging, etc.) making business more efficient;
- Open national markets to continental and international competition which can have a negative impact in the short term on the less competitive segments of the economy, among which women-led businesses are overrepresented;
- Harmonise standards and create new standard requirements for those willing to trade across countries;
- Present greater opportunities for women engaged in cross-border trade through tariff reductions and preferential trade regimes;
- Support gender-inclusive economic development by connecting small-scale female farmers to regional value chains (RVCs);
- Increase revenue gains for women-owned businesses by supporting their participation in public procurement at both national and regional levels;
- Generate new opportunities for women entrepreneurs and workers by strengthening their mobility across the African continent.
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II. Key Advocacy Messages to Make the AfCFTA Work for Women

For women to benefit from the opportunities brought about by the AfCFTA:

MESSAGE #1. Governments, regional institutions and development/ technical partners need to invest in women-led SMEs throughout the value chain so that they can compete and reap the benefits of regional integration and intra-regional trade through programmes and policies to facilitate:

- Access to finance and financial products adapted to women-led businesses' needs, including export credits and guarantees;
- Access to inputs, technologies and know-how to be able to meet new standards;
- Access to modern, appropriate and affordable technologies and ICT skills;
- The removal of gender discrimination in laws and practices to promote women's access and control over land (and other assets) essential for women entrepreneurs' operations.

MESSAGE #2. Governments, regional institutions and development/technical partners need to invest in getting women-led SMEs ready to trade under AfCFTA by providing information, trade facilitation services, and standards capacity building adapted to women needs, including:

- Public programmes to support women to identify and take advantage of niche markets under the AfCFTA;
- Translate into local languages, simplify and popularise the AfCFTA targeting women-owned SMEs;
- Demystify trade and build women traders' capacity to understand trade instruments such as rules of origin and the basics of customs procedures such as valuation and classification;
- Train women-led companies on standards, particularly on good practices in production, manufacturing, and hygiene, etc.;
- Establish technical and financial support mechanisms for women entrepreneurs in terms of compliance with standards;
- Assist in improving the quality and presentation of the agri-food products of women entrepreneurs and producers including branding and packaging;

- Support the creation and maintenance of a trade information portal that provides information relevant to traders, especially small-scale and women traders, and which cover all aspects of trade;
- Develop a regional Single Window system that could, eventually, be rolled out as a continental single window;
- Establish certification recognition and quality assurance mechanisms at the continental level for goods and services produced/traded by women producers and entrepreneurs;
- Establish free trade areas by allowing small-scale traders to trade across borders without having to use the customs management systems used by commercial traders.

MESSAGE #3. Governments, regional institutions and development / technical partners need to prevent all kinds of violence against women and protect vulnerable categories of women traders such as Women Informal Cross-Border Traders (WICBT). Informal cross-border trade is estimated to contribute to 30 to 40 per cent of regional trade in Africa³, and women account for 70 per cent of it⁴. However, for the AfCFTA to benefit WICBT, there is a need for:

- Training and capacity building for women and customs officials on Trade Facilitation under the AfCFTA;
- Applying a Continental Simplified Trade Regime under the AfCFTA;
- Targeted sensitisation and communication campaigns on leveraging opportunities under the AfCFTA that target female traders in the formal and informal economy;
- Implement measures to prevent and punish corruption, including sexual harassment, extortion for sex and gender-based violence, at border crossings and customs administration;
- Increase investment in gender-sensitive border infrastructure (e.g. separate toilets, lockers, changing rooms);
- Assess capacity building needs for women related to ICT services and digital trade for developing tailor-made technical assistance.

MESSAGE #4. Governments and regional institutions should implement additional measures to support women's access to markets in the context of AfCFTA such as:

- Promote wet markets, independent retailers and wholesalers, hybrid models of wholesale and retail, and voluntary trading organisations or buyer groups that are accessible to small-scale traders;
- Establish affirmative measures for women-led businesses (e.g. Ensure concrete commitments in terms of proportions of shelf space made available for local and regional women suppliers)⁵;
- Support affirmative procurement clauses for women-led business access to national and international public tenders;
- Invest in women's digital capabilities and develop digital platforms to support women's access to e-commerce in the context of AfCFTA.

MESSAGE #5. Governments need to protect women's employment in sectors that are likely to lose out in the short-term as a result of the AfCFTA agreement through adequate social protection mechanisms and business/ entrepreneurship support packages, including:

- Policies to protect, secure and strengthen sectors that are essential for women's employment (such as agriculture and services);
- Active market labour policies with a focus on skilling and reskilling of women;
- Well-targeted and adequately financed social protection measures (through a mix of compensation policies) to help workers who have lost their jobs due to trade liberalisation;
- Policies that recognise the economic value of women's unpaid domestic work;
- Enterprise development/entrepreneurship support packages that will assist women to move into higher value-added products/services responding to the new market opportunities.

³ SheTrades AfCFTA (2020), Competition, regional integration, and women-owned businesses in the context of the African Continental Free Trade Area (AfCFTA).

⁴ UN Women (2019), Opportunities For Women Entrepreneurs In The Context Of The African Continental Free Trade Area.

⁵ Example the Namibian Retail Charter of 2016 which stipulates targets for supermarkets, including increasing local procurement from 6% to 20% for small-scale producers. See SheTrades AfCFTA (2020)- Competition, Regional Integration, And Women-Owned Businesses In The Context Of The African Continental Free Trade Area (AfCFTA).

MESSAGE #6. Governments need to invest long-term in women and girls through education, skilling, and reskilling strategies to ensure that girls and women will be ready to seize opportunities in sectors emerging as a result of trade liberalisation, through programmes focused on:

- Promoting the participation of women and girls' skills in technology, ICT and the digital economy;
- Supporting girls' participation in Science, Technology, Engineering, Mathematics (STEM) fields;
- Certifying non-public entities to provide demand driven training and re-training services/opportunities for women.

MESSAGE #7. Governments need to protect public expenditure which is essential for women and girls to ensure that it is not affected by cuts resulting from decreasing revenue when tariffs are abolished. In particular in the following areas:

- Prevention of gender-based violence, promotion of sexual and reproductive health services, childcare and early education, social protection and other social infrastructure, WASH infrastructure;
- Apply Gender Responsive Budgeting principles and methods to ensure that public resources are spent where they have the highest impact on addressing gender inequalities while generating the needed economic return. This is even more important in the context of budget cuts.

MESSAGE #8. Gender needs to be mainstreamed across all the AfCFTA processes and institutional architecture, including through:

- Development and addition of accountability mechanisms and measures for gender equality and inclusion in the AfCFTA agreement;
- Establishment of a gender observatory as part of the bodies to monitor implementation of the AfCFTA agreement;

- Regular collection of sex-disaggregated data and periodic analyses of the impact of the implementation of AfCFTA and its' instruments on women;
- Integration of gender in national trade policies and AfCFTA national implementation plans;
- Mainstreaming of gender in all AfCFTA Protocols and projects including markets, roads and other infrastructures;
- Strengthened representation of Women's Business Associations on AfCFTA National Committees and Trade Facilitation Committees and participation in consultations in the context of the AfCFTA national process.

MESSAGE#9. Governments, regional institutions and development / technical partners need to strengthen Women Business Associations (WBA) through:

- Supporting the creation of cross-border and regional networks of women traders;
- Strengthening collaboration and sharing of information between national and regional structures involved in trade and women's empowerment;
- Strengthening and financially supporting national, regional, and continental mechanisms; through which women business associations can share information and best practices amongst themselves, hold public/private dialogues and raise the visibility of their issues;
- Equipping WBAs to use their large numbers to conduct evidence-based research and drive advocacy agendas effectively;
- Equipping national, regional and continental WBAs to design and implement effective national, regional and continental trade advocacy campaigns and influence trade policy formulation;
- Strengthening the capacities of WBAs to provide services to women businesses to become trade-oriented companies with standards of goods/services aligned to meet the requirements of the trade agreement.

III. Further Resources to Support Your Advocacy on Women in the AfCFTA

UN Women - Opportunities For Women Entrepreneurs In The Context Of The African Continental Free Trade Area-2019. (Report)

[link](#)

UNDP and AfCFTA Secretariat - The Futures Report: Making the AfCFTA Work for Women and Youth – 2020. (Report)

[link](#)

ITC's SheTrades Initiative - Empowering Women in the African Continental Free Trade Agreement (Policy brief)

English version: [link](#)

French version: [link](#)

SheTrades AfCFTA – Standards. (Policy brief)

English version: [link](#)

SheTrades AfCFTA – Améliorer le potentiel de gains de la ZLECA pour les femmes par l'intermédiaire de leurs associations. (Policy brief)

French version: [link](#)

SheTrades AfCFTA – Information and communications technologies (ICT) services and digital trade in the African Continental Free Trade Area (AfCFTA). (Policy brief)

English version: [link](#)

French version: [link](#)

SheTrades AfCFTA – Renforcement de l'efficacité de la lutte contre les barrières non tarifaires dans la zone de libre-échange continentale africaine (ZLECA) : Le rôle du secteur privé. (Policy brief)

French version: [link](#)

SheTrades AfCFTA – Competition, regional integration, and women-owned businesses in the context of the African Continental Free Trade Area (AfCFTA). (Policy brief)

English version: [link](#)

French version: [link](#)



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