



**Advancing the
implementation of the
Agreement Establishing
the African Continental
Free Trade Area**
proposing transformative
strategic actions

Fifty-seventh session of the
Economic Commission for Africa
Conference of African Ministers
of Finance, Planning and
Economic Development

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Bulletin 2

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LEAD STORY

**Young
voices must
be heard** ➤



**Free Africa's
skies** ➤



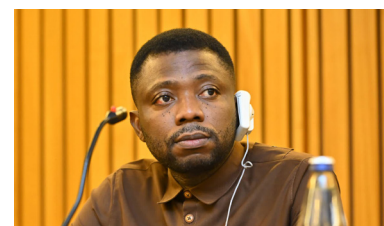
**Slow progress
for SDGs** ➤

**Report back
on SDGs** ➤

Photos: Delegates at Work ➤



**Pathways to food
security in Africa** ➤



**Labour standards
key to AfCFTA** ➤



**Climate funding
needs innovation** ➤



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Despondency is often expressed about Africa's food security and the prospects for the continent's agricultural sector. But such pessimism is misplaced, says Andrew Mold, ECA's Officer-in-Charge of the subregional office for Eastern Africa.

AfCFTA offers pathway to greater food security

Mold, in a presentation on the link between trade and food security to delegates at a side event of the 2025 ECA Conference of Ministers, cited ECA's forthcoming report, *Improving Food Security in Eastern Africa Through Greater Intra-Regional Trade – A Review of the Issues*. It argues that there is a pathway to greater food security through the concept of collective regional food security.

According to the Food and Agriculture Organization, Africa accounted for 41% of the world's undernourished population in 2023, up from 24% in 2000.

And its food import bill is large, putting scarce foreign exchange reserves under pressure. In 2023, Africa spent more than \$83bn importing foodstuffs.

Yet, we should not be beguiled by aggregate figures, argued Mold. "It is the net performance that ultimately counts, and Africa is a significant food exporter. Food exports to outside the continent reached nearly \$62bn in 2023.

Largely unnoticed, Africa's food trade deficit improved markedly in 2023, to \$22bn, a decline of \$25bn in a single year.

Even that figure is misleading, he stressed, as the deficit is driven by a handful of large food importers – principally North African countries, Nigeria, and Angola.

Mold conceded that while some countries in Eastern Africa struggle with financing their food imports, collectively the deficit is quite small, representing just 0.3% of regional GDP.



**Africa's
food
exports
2023:
\$62bn**



Farayi Zimudzi, FAO Representative for Ethiopia, highlighted the need for investment in R&D to transform productivity. "We must invest in research towards high-yielding varieties, whether it's crop seeds or genetics for livestock."

She said Africa's high population growth rate underlined the urgency of boosting food productivity. Zimudzi argued that Africa needed to invest more strategically in irrigation given climate change challenges.

She urged policymakers to find ways to attract investors to drive transformation in agriculture. "Governments cannot do it by themselves."

Channing Arndt, Director and Research Professor, Center for Global Trade Analysis, Department of Agricultural Economics at Purdue University, underscored the critical need for timely production data.

"By timely, I mean at harvest. You're supposed to be producing data so that market participants can make decisions about where to buy, and where to sell. That's supremely important." He noted that timely quality data would give African players an edge.

UN reaffirms support for African structures

The United Nations will continue supporting the African Union, the African Union Development Agency-New Partnership for Africa's Development (AUDA-NEPAD) and other African Union organs, including the African Peer Review Mechanism, to ensure the implementation of the SDGs and Agenda 2063.

"We will continue to support members of the African Union in integrating the 2030 Agenda and Agenda 2063 into their national development plans using the integrated planning and reporting toolkit," Josephine Ulimwengu, Chief of Systems: Wide coherence and quality assurance section, ECA, told delegates at COM2025.

Ulimwengu presented the key outcomes of the eighth UN-AU annual conference, which took place in October last year in Ethiopia. She noted that deliberations at the conference focused on global peace, security and development. The UN and the AU reaffirmed that they would continue to advocate reforms to international financial systems with a view to securing necessary resources for Africa's development and building a fairer global system. Gender equality and youth participation in peace processes as well as post-conflict reconstruction and development were emphasized as vital for peacebuilding, with both organizations pledging to incorporate gender considerations into strategic coordination mechanisms.



Africa must speed up efforts to open its skies, aviation experts say

Air travel is the shortest, safest means of transportation yet only 10% of Africans travel by air, Adefunke Adeyemi, Executive Secretary of the African Civil Aviation Commission pointed out in a panel discussion on the margins of the ECA’s Conference of African Finance Ministers.

“The benefits that aviation has brought to other parts of the world, where it’s almost like mass transportation, are not being seen in Africa,” she said.

The Single African Air Transport Market (SAATM) – a flagship initiative of the AU’s 2063 Agenda that seeks to unify African skies – is seen as a solution to the low levels of intra-African air travel.

SAATM came into force in 2018. AU studies suggest that its full implementation could increase intra-African passenger traffic by 51%, from 31 million to 47 million travelers, while reducing airfares by 26%.

By 2025, 38 countries had signed up.

Adeyemi said SAATM is currently being rolled out in a phased fashion, with 21 member states, representing 85% of the African market, gradually opening their skies under a pilot programme.

“In the past two years, 97 new routes have been opened. That is a big deal.”

She urged African finance ministers and policymakers to view aviation as a strategic pillar of development. “Ethiopia is benefiting from Ethiopian Airlines and we can say the

same of other countries. We need to ensure aviation is not seen only as a drain on resources.”

Tackling high costs

Abderahmane Berthé, Secretary General of the African Airlines Association, decried the high taxes and charges in the sector.

He called on policymakers to review fiscal policy frameworks to find ways to lower the cost of air travel and foster growth. “Travel in Africa is too expensive,” he charged.

He urged African carriers to focus on operational efficiency in a bid to lower travel costs, and air fares, while maintaining profits. “We need to improve ground, flight, and maintenance efficiencies to boost performance.”



Easing travel restrictions vital for AfCFTA

The African Continental Free Trade Area (AfCFTA) and Single African Air Transport Market (SAATM) are designed to work in tandem to create a powerful synergy to significantly drive intra-africa trade and economic development, argued Dr Sabelo Mbokazi, Head of Labour, Employment, and Migration in the Social Development Directorate at the African Union Commission.

However, he told the panel that existing restrictions on the free movement of people in Africa could impede the

realisation of this vision.

“Some member states are worried that it could affect sovereignty. There is the issue of security threats that they associate with free movement,” he explained.

He further argued that some countries were reluctant to scrap high visa fees and streamline immigration procedures because governments had grown dependent on revenues from these services.

He called on African leaders to walk the talk on African unity and embrace free movement of people within the continent. “In the past ten years we have seen a resurgence in nationalism and protectionism. We always say Europe has stringent visa rules but in Africa we’re also doing it,” he said.

Andile Mtetwa-Amaeshi, Director General of Eswatini Civil Aviation Authority, underscored the need for political will to definitively address the factors hindering the free movement of people in Africa.

With proper awareness, leaders could be persuaded to shift their stance on this critical issue. “The lack of political will is still there because of lack of knowledge of the actual benefits,” she stated.



BULLETIN 2
#CoM2025

Young voices must be heard in trade discussions

The success of the African Continental Free Trade Area will depend, in large part, on the involvement of young people, said speakers at a COM2025 side event held to discuss making the AfCTFA work for African youth.

Opening the session, Said Adejumobi, Director of ECA's Strategic Planning, Oversight and Results Division, noted that with young people accounting for nearly 70% of the continent's population, it was imperative that they played a key role in the new trade dispensation brought on by the agreement.

"Mainstreaming African youth in the AfCFTA is not only a developmental question, it's also a democratic question. If you have young people constituting such a large chunk of our population, they have the right to be at the table," he observed.

Claver Gatete, executive secretary of the ECA said trade is Africa's "Marshall Plan" has to end structural problems and ensure its prosperity. The AfCFTA, he argued, will enable the continent to add value to its natural resources and create industries of the future.

"The youth have a big role to play to ensure that we go from 15% of intra-African trade to 30% or even 60%," he said, adding that the free trade area will create more jobs for young people across various sectors and more opportunities to build their own enterprises.

The purpose of the event was therefore hear the voices of the youth so their ideas can inform policies and programmes under the agreement.

Bening Ahmed, Secretary-General of the Pan African Youth Union expressed the appreciation of young people

for efforts to include them in decision-making.

Noting the continent's youth are some of the most innovative people anywhere, Ahmed called on governments to coordinate with them in policymaking.

"Our governments must begin to utilise young people at all levels of policy, especially in economic policy and fiscal and monetary policy regimes a way that allows their ingenuity to come to the fore and to propel this continent onto the path of growth, development, creating the quality of life that we require as Africans," he said.





DELEGATES
AT WORK

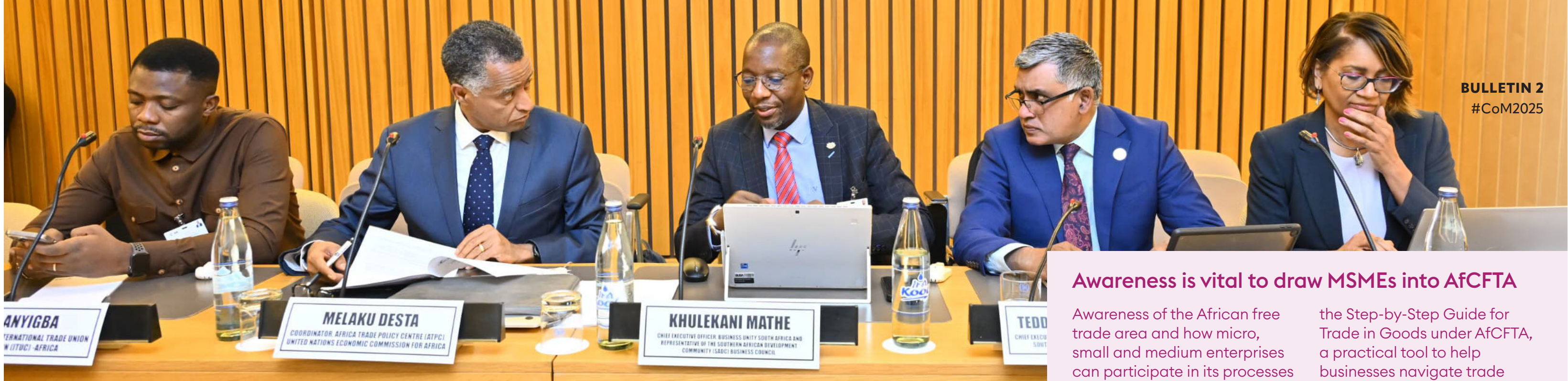




BULLETIN 2
#CoM2025

DELEGATES AT WORK





Labour standards vital to trade and sustainability

It is vital that international labour standards are applied in Africa as the African Continental Free Trade Area rolls out, labour experts said at a meeting on the sidelines of COM2025 on how to ensure inclusive growth and promote decent work on the back of the initiative.

The AfCFTA was not just about trade efficiency, it was about sustainable development, inclusive growth and decent jobs for all, speakers said. Regional integration should not be at the expense of the rights of workers, who are at the centre of trade.

Hod Anyigba, Executive Director of the Africa Labour Research and Education Institute and Chief Economist at the International Trade Union Confederation (ITUC)-Africa, stressed that “trade must serve people, not just profits”.

He called for stronger labour protections, corporate accountability, and due diligence

in AfCFTA implementation, warning that without these safeguards, trade liberalization could lead to informal employment and deteriorating working conditions.

Marva Corley-Coulibaly, Chief of Globalization, Competitiveness and Labour Standards at the ILO, emphasized that good jobs do not happen automatically.

“Just as we meticulously plan trade, industrial, and investment policies, we must also plan for decent work, not as an afterthought,” she stated.

While AfCFTA includes some labour provisions, she pointed out that critical gaps remain, particularly in addressing issues like modern slavery, human trafficking, and workplace safety.

She proposed the introduction of a Trade and Sustainable Development Protocol to ensure

that trade translates into decent work and economic justice.

The ILO’s Decent Work Toolkit, which facilitates the examination of labour provisions in trade agreements and the impact of trade policy on labour markets, was mooted as a valuable tool to support private sector trade while promoting decent work.

Speakers said the AfCFTA labour provisions are not extensive enough and called for the embedding of labour standards in trade agreements, with binding commitments on the ILOs core standards such as freedom of association, elimination of forced labour and other issues.

They also called for more inspections in SEZs to ensure labour standard are adhered to, calling them hotspots of exploitation.

Awareness is vital to draw MSMEs into AfCFTA

Awareness of the African free trade area and how micro, small and medium enterprises can participate in its processes and benefits were under the spotlight at a side event of COM2025, which also looked at issues of decent work and labour standards.

The event, moderated by Khulekani Mathe, CEO, Business Unity South Africa (BUSA) and a representative of the SADC Business Council, underscored both the transformative potential of AfCFTA and the pressing need for action to ensure businesses, particularly MSMEs, can participate effectively in cross-border trade.

Eunice Kamwendo, Director of ECA’s Subregional Office for Southern Africa, emphasised that MSMEs account for 90% of businesses and 80% of employment.

Melaku Desta, Coordinator of the Africa Trade Policy Centre at ECA, introduced

the Step-by-Step Guide for Trade in Goods under AfCFTA, a practical tool to help businesses navigate trade procedures and access market opportunities.

He emphasized that while national strategies have been developed, they remain high level and largely public-sector focused, leaving MSMEs with limited direct support.

“We decided we should not leave the fate of the AfCFTA to business as usual. We have to adopt a very deliberate strategy on how to make it happen. People are asking how they actually go about engaging with the AfCFTA. The smaller the business the greater the challenge.”

“We should not discount in any way the role of the large companies. But they have the time to invest resources in finding out exactly how the AfCFTA can work for them. SMEs don’t.”



Climate finance needs innovation to close funding gaps

With climate change accelerating and climate-linked disasters increasing, countries around the world are racing to build resilient infrastructure. However, African countries, already facing debt crises, are only able to attract a fraction of the financing they require.

Speakers at a roundtable discussion on the sidelines of the ECA's COM2025 said that Africa could utilise some innovative funding instruments to access the required investments.

Joseph Intsiful, Senior Climate Information and Early Warning Systems Specialist at the Green Climate Fund, said green bonds and sustainability-linked bonds are gaining traction as viable instruments to drive climate investment.

Ntsiful pointed to successful examples across the continent, such as South Africa's first sovereign green bond launched in 2023. "The government used \$200 million in green bonds to finance renewable energy and climate-resilient projects," he noted.



Similarly, Morocco's green bond initiative has bolstered the Noor Ouarzazate solar complex, one of the largest in the world.

Beyond green bonds, public-private partnerships are playing a crucial role in mobilizing climate finance and risk-sharing. "Public

service sector partnerships are critical in terms of mobilizing climate finance and enabling other parties, particularly the private sector, to participate in this very important resource mobilization," Ntsiful explained.

Reflecting on the role of debt swaps, Jean-Paul Adam, Director for Policy, Monitoring and Advocacy in the Office of the Special Advisor on Africa to the United Nations Secretary General, cautioned that while they provide some relief, they are not a substitute for full debt restructuring in cases where countries are in financial distress.

However, debt swaps do hold promise for creating fiscal space, particularly in African nations struggling with high debt servicing costs.

"The opportunity to improve your fiscal space is key because the cost of servicing debt, particularly in African countries, whether they are middle-income or low-income, has dramatically increased in recent years. And this is linked to the problem of the cost of capital," he said.

Adam stressed that for debt swaps to be truly effective, they must benefit vulnerable communities rather than serving narrow interests.

Mixed picture of progress for landlocked nations

There has been progress in many areas, including electricity, financial services and internet access, in landlocked developing countries over the past decade but some indicators are of concern, said Francis Ikome, Chief, Governance & Public Sector Management Section Macroeconomic Policy Division Office, ECA.

Ikome made his remarks in a report back on implementation of the last 10-year programme (2014 to 2024) during the Expert's Segment of COM2025.

He noted that the new Programme of Action for Landlocked Development Countries for 2024 to 2034 had been adopted by UN General Assembly and would be discussed later this year.

The fastest growing LLDCs over the decade were Ethiopia at 8%, Rwanda at 6.7%, Niger

at 5.8% and Uganda at 5%, with Burundi, Lesotho and South Sudan at the bottom of the growth table.

He said most African LLDCs continued to be net importers of goods and services between 2014 and 2023.

Food insecurity ranged from moderate to severe although most countries improved their rankings on the UN's Human Development Index.

Internet access increased from 15.6% to 39.2% in 2024 but still remained below the global average, Ikome said.

Four countries were in debt distress over the period while public debt as a percentage of GDP increased in 14 of the 16 LLDCs.

The picture remains varied he says, adding that economic governance is a factor in the different performance of these nations.



Progress slow for Africa's LDCs

Africa's Least Developed Countries (LDCs) are a diverse set of nations, which include middle-income countries and resource-rich states, says Zuzana Schwidrowski, Director, Macroeconomics, Finance and Governance Division, ECA

In a presentation at the Expert's Segment of COM2025 on the progress made in priority areas in Africa of the Doha Program of Action for LDCs, she said countries continued to show limited resilience, experiencing high debt and fiscal deficits.

Efforts to build resilience in these economies is also moving slowly, she maintained.

Schwidrowski said Africa is

home to 32 of 44 LDCs globally. "This is almost one in 10 people, but they represent less than 1% of global GDP and less than 1% of global exports," she said, highlighting the challenges faced by these countries in building sustainable and resilient economies.

This variation in the types of countries in this category required a nuanced approach to policies to address their

challenges.

Four African countries have graduated from LDC status - Botswana (1994), Cabo Verde (2007), Equatorial Guinea (2107) and Sao Tome and Principe (2024) while Senegal and Djibouti, which have been recommended for graduation, have asked for five-year extensions.

Nine of Africa's 32 LDCs are in debt distress and 11 are at high risk of distress, with rising debt costs consuming limited budgets.

LDCs have limited export capacity, with exports remaining concentrated in low-value, primary and resource-based, with minimal progress made towards doubling global export share by 2031, Schwidrowski said.

The bloc faces a major challenge in building climate resilience, with limited access to finance and technology and a huge deficit in climate funding. Despite promises by rich countries of \$100bn annually for developing countries, just 13% reached LDCs in 2022.

These challenges are longstanding, but the situation is getting more precarious at a time of declining ODA, Schwidrowski said, urging countries to mobilise funds domestically, including from the private sector.

African LDCs

32 of 44
globally

9.8
of the global
population

Under **1%**
of global GDP

Under **1%**
of global
merchandise
exports

40%
of global low-
income population

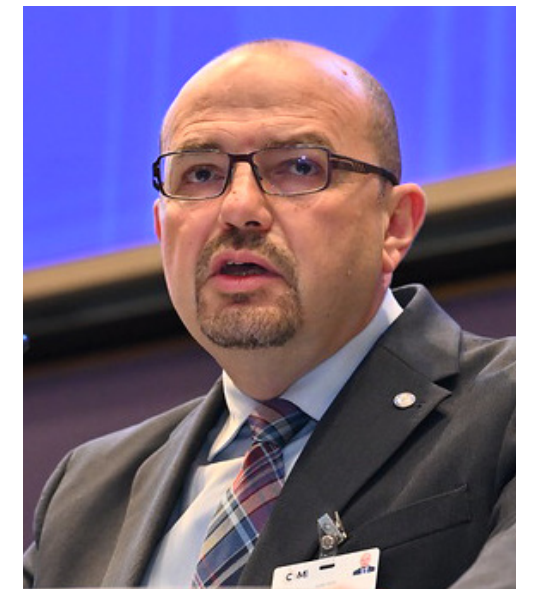
Challenges mount in pursuit of SDGs

Africa is on track to achieve only 10 of the 144 measurable sustainable development targets by 2030, with 106 requiring accelerated action, according to a report presented to the ECA Expert's Segment of COM2025 by Nassim Oulmane, Chief of the Green Economy and Natural Resource Section.

The report said progress on 28 of the goals had in fact regressed.

These findings, which reflect the outcomes of broader reviews undertaken as part of the 10th session of the Africa Regional Forum on Sustainable Development, underline the need to urgently scale up financing for SDGs in Africa.

The ARFSD aims to advance the implementation of the 2030 Agenda and Agenda 2063 by reviewing progress, strengthening learning, and advocating effective policy measures



Last year's sessions focused on the review of five selected SDGs – Goals 1 (no poverty), 2 (zero hunger), 13 (climate action), 16 (peace, justice and strong institutions) and 17 (partnership for the goals), and the corresponding goals of Agenda 2063.

Outlining the policy recommendations of the tenth session of the ARFSD, Oulman highlighted the need to reform global finance, transform digital systems, leverage the AfCFTA and green growth and invest in Africa's youth. It also highlighted the need to adopt innovative climate finance, including promoting carbon markets, debt swaps and green and blue bonds to drive climate action.

The next forum, set to take place in April, will be hosted by Uganda and will focus on driving job creation and economic growth through inclusive, science-based solutions.