1. INTRODUCTION

The African Continental Free Trade Area (AfCFTA) provides one of the greatest opportunities for bolstering inclusive growth and sustainable development on the African continent. A significant milestone in Africa’s regional integration efforts, the AfCFTA will remove 90% of tariffs on goods and services over the next five years. If managed efficiently, this newly formed market of 54 nations and 1.2 billion people will unlock historically low levels of intra-continental trade and attract long-term, stable investments from around the world. Under the Agreement, the African Union Member States explicitly seek to achieve gender equality and enhance the export capacity of women and youth. Prioritizing the inclusive participation of women stakeholders in particular will be essential for implementing the initiative within a more democratic context that can uphold women’s economic rights.

Women are major contributors to African economies as entrepreneurs, employees, and through unpaid household work. Women make up the majority of self-employed individuals across Africa, and 90% of the informal sector labor force. As entrepreneurs, women commonly face cultural barriers and inadequate access to resources that present significant challenges to business growth. The often-precarious nature of their work across sectors and employment types means women are also vulnerable to market forces. Considering the five-year timeframe set for the liberalization of most goods and services, AfCFTA reforms will have significant local impacts in the immediate and long-term future. Better understanding on how these changes will impact women’s livelihoods can help in identifying what is required at the national and regional levels to enhance economic opportunities for women under the Agreement.

2. CONFERENCE OBJECTIVES

The virtual conference on the Women’s Economic Empowerment on AfCFTA was held on October 6, 2021.

The purpose of the conference was:
a) To provide information on how women-led businesses can benefit from the AfCFTA.

b) To propose measures/programs to improve compliance with market access requirements by SMEs under COMESA and toward the AfCFTA and market opportunities to be pursued.

c) To raise awareness on policies that support participation of women in the AfCFTA in the areas of trade, civil society, politics, and corporate industry.

d) To propose measures that strengthen digital financial inclusion of women in trade at the COMESA and AfCFTA level.

3. PARTICIPANTS

The virtual conference was attended by more than 280 regional and international participants.

4. OPENING REMARKS

a) Ms. Sandra Uwera, CEO of the COMESA Business Council welcomed delegates and highlighted the following in her opening remarks:

- Women play a significant role in trade in Africa and will be essential to the continent’s success in leveraging the full potential of the AfCFTA.
- Women also comprise the vast majority of informal cross-border traders in Africa. These female traders are disproportionately affected by non-tariff barriers (NTBs), including corruption, harassment, misinformation about customs procedures and regulations and confiscation of goods.
- The AfCFTA Agreement explicitly recognizes the importance of gender equality. Article 3(e) specifies that the AfCFTA aims to “promote and attain sustainable and inclusive socio-economic development, gender equality and structural transformation.”
- Article 27(d) of the AfCFTA Protocol on Trade in Services makes explicit reference to improving the export capacity of formal and informal service suppliers, with particular attention to micro, small and medium-sized operators and “women and youth service suppliers.”
- Through the AfCFTA, informal and micro and small enterprises will be integrated into the continental markets, breaking the barriers these businesses constantly encounter as they try to penetrate more advanced regional and overseas markets.
- The AfCFTA is also a catalyst for women following the Declaration of the years 2020 to 2030 as the new Decade of Women’s Financial and Economic Inclusion. In the Declaration, African leaders recommitted to scale up actions for the progressive gender inclusion toward sustainable development at the national, regional, and continental levels.
- The potential for growth on the continent will not be realized in a vacuum, but through purposed gender-sensitive economic policies, a sound business environment, and political commitment focused on gender mainstreaming in AfCFTA National Strategies.

AfCFTA and the Public Private Partnership

- Bridging the information gaps between governments and the private sector would help build confidence around the free trade agreement. Fiscal incentives, including subsidies, might be needed in some instances.
- The private sector plays a vital role in speeding industrial development and economic diversification, particularly in the context of the ongoing pandemic and other development challenges. The private sector accounts for 80% of total production, two-thirds of investment, three-quarters of credit and employs 90% of the working-age population. (AfDB 2020)
- The substantive participation of the private sector in driving Africa’s development and wealth calls for a stronger Public-Private Partnerships (PPPs) approach between the governments and private firms.
The involvement of governments in particular relationships must be redefined for PPPs to come full circle. The predicted evolution would prevent African governments from acting as both managers and financial sponsors, a move that should benefit the public at large.

Ensuring the good functioning of Africa’s Chambers of Commerce so they have the power to establish conducive channels and highlight the interests of the private sector will play a vital role in accelerating PPPs. The private sector engagement will help to expand Africa’s service economy to meet our industrialization agenda needs.

b) Dr. Amany Asfour, a CBC Board Director and the President of the Africa Business Council, highlighted the following in opening remarks:

- The AfCFTA holds a huge growth potential for businesses, within and outside Africa. This is a market of 1.2 billion people and a combined GDP of some $2.5 trillion, a growing young African population, and a growing middle class whose purchasing power is increasing.
- The United Nations Economic Commission of Africa (UNECA) predicts that full implementation of AfCFTA will raise intra-African trade from 15%, or $50 billion, in 2017 to 25%, or $70 billion, by 2040.
- The African Business Council (AfBC) is part of the architecture of the AfCFTA, functioning as a necessary continental platform for aggregating and articulating the views of the private sector in the continental policy formulation processes.
- The position of CBC in the Board will provide an avenue through which CBC will be able to channel the issues affecting members but relating to the AfCFTA. It will provide a platform to address issues on the Continental Free Trade Area and also the needs and challenges women face in their endeavor to explore regional and international markets.
- In implementing the AfCFTA, CBC is aware of the requirements of industry, with a keen interest on SMEs, women traders, smallholder farmers and informal cross border traders who represent the majority of Africa’s trading community and are crucial to driving poverty reduction efforts.
- The CBC will play a critical role in the implementation through:
  - Advocating for a conducive trade environment in the region.
  - Provision of capacity-building opportunities for SMEs, youth, and women in business.
  - E-commerce and cross border digital payment plans.

c) Barbara Langley, the Director of CIPE’s Center for Women’s Economic Empowerment (CWEE) highlighted the following in her opening remarks:

- Three years ago, CIPE established a Center of Excellence for Women’s Economic Empowerment to better promote its thought leadership and expertise on this critical issue and to help advance strategies with proven impact from our regional teams. CIPE’s projects are active in six regions of developing markets – including more than 60 countries with dozens of field offices and representatives – ensuring that democracy and free market economies deliver for the most vulnerable populations such as women-owned and -led businesses.
- In Africa, CIPE has an active network of more than 540 chambers of commerce and business associations across the continent focused on trade inclusion, business leadership, business for peace, anticorruption, digital economy, and economic opportunity. CIPE also has field offices in Egypt, Tunisia, Nigeria, Sudan, Ethiopia, and Kenya.
- CIPE is developing programs specifically around the AfCFTA that include: bolstering women’s voices as they advocate for policy and regulatory reforms, organizing business support groups – particularly those in the informal and service industries – to provide input on implementation of the AfCFTA, and building communication channels from the government to the smallest trader on the challenges and benefits of the AfCFTA.
  - For example, CIPE experts have produced a report on small business awareness of the AfCFTA in Nigeria, finding little awareness among small and medium enterprises
regarding what the AfCFTA is and what it means for them in terms of challenges and opportunities. The report recommended additional awareness-raising from the government and a means to build communication channels from the government to the SMEs.

When it comes to women, CIPE’s report found that women had less access to information than men did regarding the AfCFTA. Similar reports in Ethiopia and Kenya will be produced very soon.

5. MAJOR POINTS RAISED IN THE PANEL DISCUSSIONS

10.1 Panel 1: Overview of the AfCFTA and the Value Proposition for Women in Business

- Flagship program aims to reduce access to the finance gap that women’s businesses face in Africa, which is approaching a $40 billion disparity.
- The program focuses on 3 main pillars:
  - Access to Finance
  - Technical Assistance to Financial Institutions and Female Entrepreneurs
  - Policy Dialogue to Reform the Legal Framework.
- Through the Affirmative Finance Action for Women in Africa Initiative (AFAWA), the Bank is committed to strengthening members’ business and financial skills. AFWAWA’s ambition is to reduce the $40 billion gap in access to finance for women on the continent.
- Technological assistance to financial institutions that can be passed on to women entrepreneurs.
- Policy dialogue to reaffirm support to women in business.
- In Ghana, the AFAWA agriculture climate project will enjoy a $400 million line of credit with Ecobank Ghana Tech support/climate resistance.
- Partnership with African Guarantee fund to increase its ability to lend to women.
- DRC, Rwanda, Kenya, Tanzania and Uganda are signing on to the program.
- The African Development Bank can strengthen the channels of market information to reach women at the grassroots level and help women understand free trade and link it to their businesses through access to infrastructure, technology, and skills development.

10.2 Panel 2: Policies that support participation of women in the AfCFTA in the areas of trade, civil society, politics and corporate industry

- Private-to-Private partnerships within Africa that will be enabled by AfCFTA to better link supply chains in Africa.
- Ensure inclusion of women at all levels: 70% of cross border traders are women, especially at the grassroots level.
- Trade policy such as the AfCFTA will enable women’s economic empowerment and is especially designed to benefit women.
- Trade blocks actually enable women to have skills and create value for consumers across regions. Proctor & Gamble works with SMEs and understands the challenges.
- Research conducted by the UN shows that policies that promote manufacturing and trade liberalization have been effective in driving women’s participation in trade, especially in developing countries.
- An intentional development of policies at both the public and private sector levels to ensure the right political will to allow actualization.
- Policies should reach the intended beneficiaries, in this case women. Take policies that are being formulated and work out where the women are fitting in.
- Access to productive resources: Land, money and mechanization will greatly increase production.
10.3 Panel 3: Economic Opportunities: (a) Access to market for women in business and (b) Access to finance for women in business

✦ Coca Cola has more than 90 years of market experience and believes in the African continent’s potential to scale up manufacturing by unlocking the raw materials distribution chain and the retail market. This one market size approach creates many possibilities for growth in the African market.
✦ Digital Transformation should include the involvement of more women in e-commerce, enabling them to transact online. Improvement of IT skills should be encouraged to provide simple basics of how to use information technology.
✦ Soft loans are encouraged to purchase technology in this ICT era and offer incentives to scale up women businesses.
✦ AfCFTA can help facilitate some processes of delivering fresh produce to market to avoid waste of produce.
✦ There is a need for a basic mindset transformation – the goal was to empower 5 million people by 2020 and 800,000 women were empowered with access to finance so they paid back their loans.
✦ Success story of Cooler Fridges distributed to women by Coca Cola. Women used their networking ability to come together and access a much wider market. This helped them to climb up the value chain, receiving better access to finance and scaling up within the distribution chain.

10.4 Panel 4: Digital financial inclusion of women in trade at the COMESA and AfCFTA level

✦ Digital inclusion is a path to opportunities for women in trade. Financial inclusion gives women access to a financial account.
✦ Digital inclusion could link SMEs to new markets within Africa and SMEs can bring these into the formal sector and contribute to growth, the creation of jobs, and government income.
✦ During COVID-19, many businesses survived through substantial improvement of IT skills.
✦ The trade market is no longer solely physical but also the digital market, which is bigger and Pan-African. It is a much wider agenda.

6. PLENARY DISCUSSION

The conference deliberated on the following issues during the plenary session:

11.1 Value proposition for women in business

a) Question: What are the key challenges surrounding the implementation of the AfCFTA and what should women expect?
Answer: One of the key challenges surrounding the implementation of the AfCFTA is the delay in concluding negotiations under Protocol on Trade in goods and Protocol on Trade in services of AfCFTA in Phase I, as well as the full operationalization of trade instruments under the AfCFTA. According to the AfCFTA Secretariat, the target is to reach a 90% threshold on the negotiation of Rules of Origin and finalize negotiations on the 5 key sectors of services: Business, Tourism, Transport, Finance, and Communication. It was also pointed out that the AfCFTA Secretariat has initiated negotiations on Phases II and III. In Phase II, the State Parties are expected to negotiate: Investment, Competition Policy, Intellectual Property Rights, Women and Youth in Trade, and Digital Trade.

It was also pointed out that women need to actively engage in the trade policy space as a way of ensuring that the issues affecting them are addressed.
b) **Question:** How can the diaspora get involved in the activities of the AfCFTA? The diaspora is ready to provide support.

**Answer:** It was pointed out that the diaspora is already considered as a 56th member state under the AfCFTA and the AfCFTA Secretariat promised to work with the diaspora.

c) **Question:** Under the Protocol on Women and Youth, is the AfCFTA Secretariat considering the introduction of a simplified trade regime to support women in trade? Is the AfCFTA Secretariat also considering a simplified Rules of Origin regime under the Protocol on Trade in Goods?

**Answer:** The AfCFTA Secretariat indicated that it supports the idea of the simplified trade regime in the protocol. However, incorporating the regime into the protocol in a way that makes it possible for the state parties to implement it could cause challenges. The AfCFTA Secretariat promised to work with state parties to address the issue.

d) **Question:** Is it possible for African Development Bank (AfDB) to support the women’s platform at the East African Business Council (EABC)?

**Answer:** AfDB indicated that its support will depend on the strategic alliance forged at the continental and regional level. EABC will need to work with other stakeholders to mobilize support.

e) **Question:** How can ensure that consumer representation, including at the AfCFTA committee level?

**Answer:** AfCFTA is run by state parties, and they are the ones who make decisions. At the committee level, representation is covered by state parties. The voice of consumers can be heard through the national representation in the committee. Consumers can always form part of the national delegation. This is where the voice of consumers should be heard prior to coming to the AfCFTA committee. Countries are to determine the composition of their delegation. It is important to ensure that consumers form part of the delegation.

### 11.2 Trade policies that support the participation of women in the AfCFTA in the Areas of Trade, Civil Society, Politics and Corporate Industry

a) **Question:** What is one of the biggest opportunities for women to venture into?

**Answer:** It was pointed out that manufacturing – in terms of adding value to the locally produced products – is one of the biggest opportunities for women under the AfCFTA.

**Comments:** During the discussion, it was pointed out that women in Uganda who grow pineapples should consider adding value to their pineapples by converting them into concentrate for the purpose of selling them (instead of taking the risk that they will go to waste).

b) **Question:** When will companies like Coca Cola start procuring non-traditional crops such as Hibiscus (a very useful plant, especially for making medicament)?

c) **Answer:** It was pointed out that market demand will supply the right products. This will ensure that women are venturing into profitable activities.

### 11.3 Digital financial inclusion of women in trade

a) **Question:** Are digital platforms tailored to women SMEs in the rural areas? What are the gaps and opportunities?
Answer: It was explained that most women are in groups/chamas, which makes it easy for financial institutions to locate and assist them. Women are normally assisted to open an account and receive education on financial matters.

b) Question: Can we educate young girls in rural areas on financial empowerment? Can we encourage greater uptake of technology for women?
Answer: It was explained that different stakeholders can play different roles in promoting uptake of technology among the women in the rural areas. The stakeholders expected to play a major role will include government, private sector, and development partners.

7. OVERALL RECOMMENDATIONS

- There is a need to include specific measures in the protocol on women and youth, such as a simplified trade regime and other steps.
- Women need to engage actively in the policy space to ensure representation at the highest policy level. This will include participating in the formulation and implementation of policies.
- There is a need for women to strengthen the value chain at the level of the RECs first before moving to the continental level. Companies will work with local suppliers to build capacity.
- There is a need to align to the African Union’s Agenda 2063 and make it inclusive for women in trade.
- There is a need for interventions that support young people and women-run small and medium-sized enterprises.
- There is a need for more public-private sector dialogue and sensitization on women in trade.
- There is a need to create more champions to advocate for women in trade at all levels of influence.
- Harmonization of standards, capacity building, and local sourcing of manufacturing inputs is key for strengthened value chains within the AfCFTA.
- Giving women equal opportunities to pursue and thrive in STEM careers enhances women’s economic security and ensures a diverse and talented STEM workforce for the benefit of Africa’s manufacturing industry.
- Digital technologies are enablers to access to markets and finance within the AfCFTA. Continued investment in financial literacy and digital literacy is key in the drive for more equitable access to financial services for women.
- Digital financial inclusion of women provides security and ensures access to key resources, mitigating external shocks.

8. CONCLUSION

All these efforts require collaboration as they cannot be done in isolation. While ongoing ratifications are indicative of progress, integrating 54 markets will deliver its fair share of challenges. For a good number of years, it will take resolute determination. Judging by the response from this successful conference, stakeholders are certainly up to the task.

9. CONTACT EVENT HOST: CBC

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FULL LIST OF EVENT SPEAKERS

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Ms. Sandra Uwera - CEO, CBC

FACILITATOR
Ms. Rose Sibisi - MD StylewithRoseS Media; Chair - MTN Zambia Foundation

SPEAKERS AT THE OPENING SESSION
Ms. Sandra Uwera - CEO, CBC
Dr. Amany Asfour - Interim President, Africa Business Council & CBC Board Director
Ms. Barbara Langley - Director, CIPE’s Center for Women’s Economic Empowerment

PANELISTS
Ms. Emily Mburu - Director, Directorate of Trade in Services, Investment, IPR and Digital Trade, AfCFTA Secretariat
Ms. Temitope Iluyemi - Senior Director, Global Government Relations - Africa, Procter & Gamble
Ms. Maureen Sumbwe - CEO, Zambia Federation of Women in Business
Ms. Debra Mallowah – Vice President, East and Central Africa Franchise, Coca-Cola
Ms. Peninah Ngategize - CEO, Kika Farm
Ms. Sabine Mensah - Deputy CEO, AfricaNenda