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**PROGRESS IN ACHIEVING THE  
MALABO COMMITMENT ON  
TRIPLING INTRA AFRICAN TRADE IN  
AGRICULTURAL COMMODITIES AND  
SERVICES**

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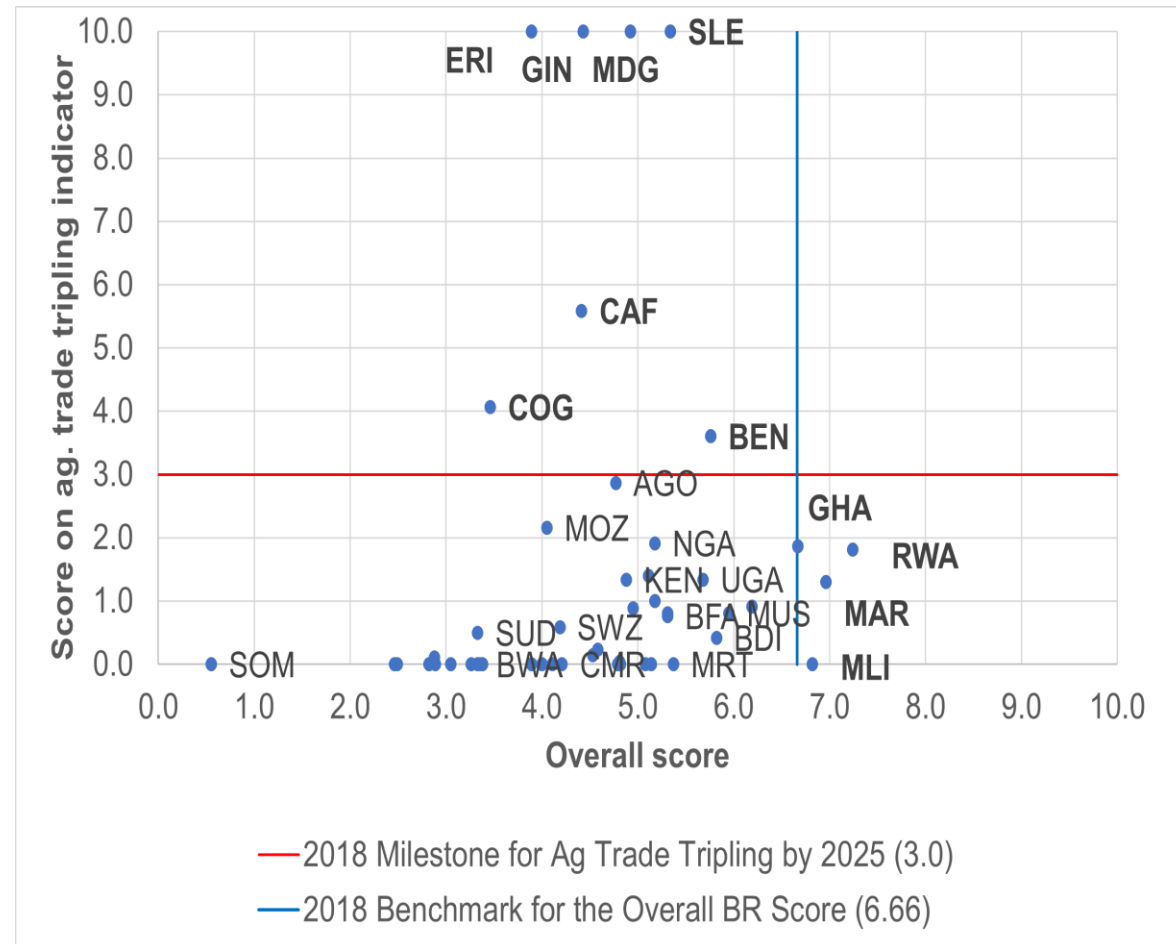
*16<sup>th</sup> CAADP PP Event, 24-25 November 2020*

## PRESENTATION STRUCTURE

- INTRODUCTION
- REVIEW OF PROGRESS IN ACHIEVING MALABO COMMITMENT ON TRIPLING INTRA-AFRICAN AGRICULTURAL TRADE BY 2025
- MORE INSIGHTS INTO INTRA-AFRICAN AG. TRADE TRENDS FROM RECENT RESEARCH EVIDENCE (2020 AATM REPORT)
- CONCLUDING REMARKS

# THE VERY FEW COUNTRIES THAT ARE ON-TRACK TOWARD ACHIEVING MALABO GOALS MISSED THE AG TRADE TRIPLING PLEDGE

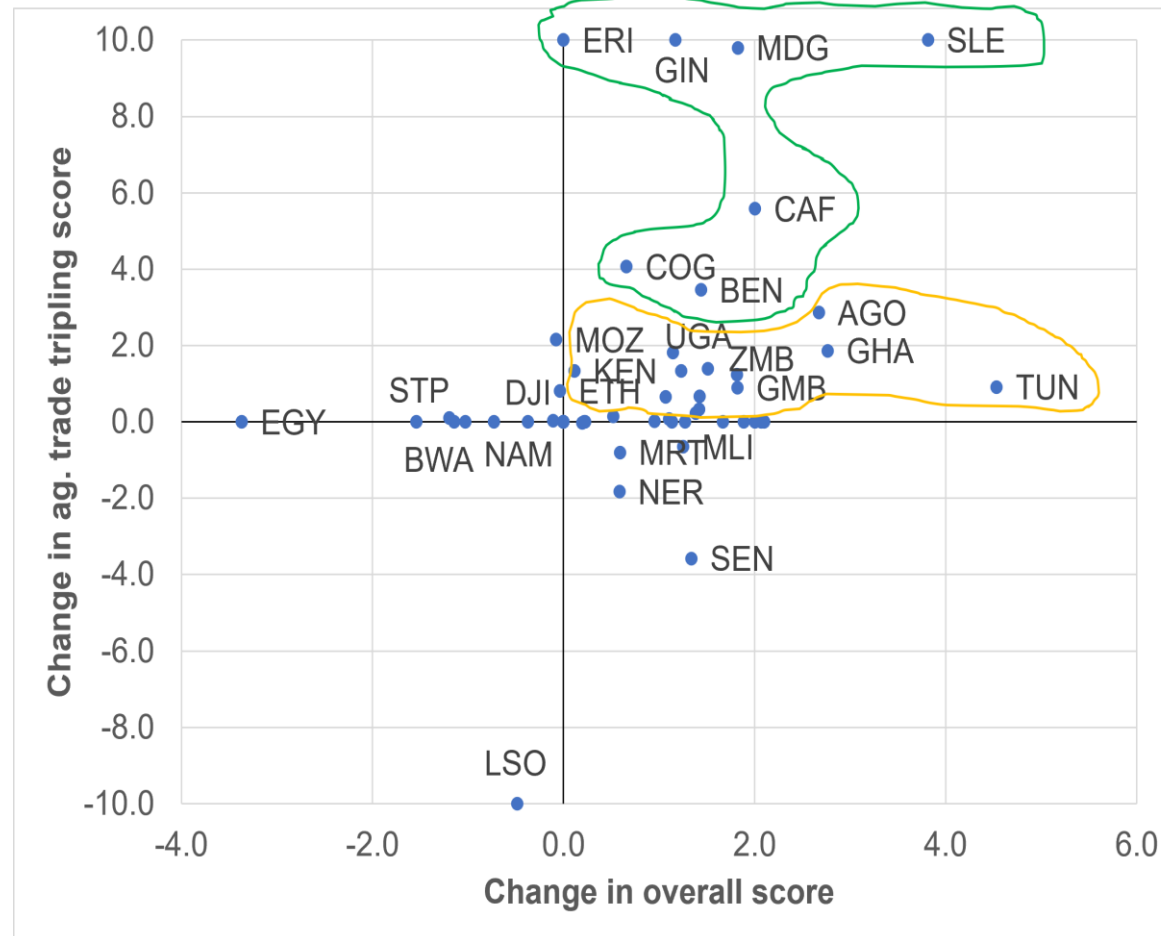
- Only 4 countries are on-track toward achieving Malabo Declaration goals by 2025 (bottom-right quadrant)
- Only 7 countries are on-track toward tripling intra-African ag. trade by 2025 (top-left quadrant).
- The two sets are mutually exclusive (top-right quadrant)!



## NOT-ON-TRACK IN 2020 BUT PROGRESSING RELATIVE TO 2018

- Though not-on-track, many countries have improved both their overall score and their ag. trade tripling score (top-right quadrant, within the orange contour)
- Mali (one of the few best-performing countries overall) has slightly regressed on the trade pledge

Change between 2018 and 2020 Biennial Review Scores

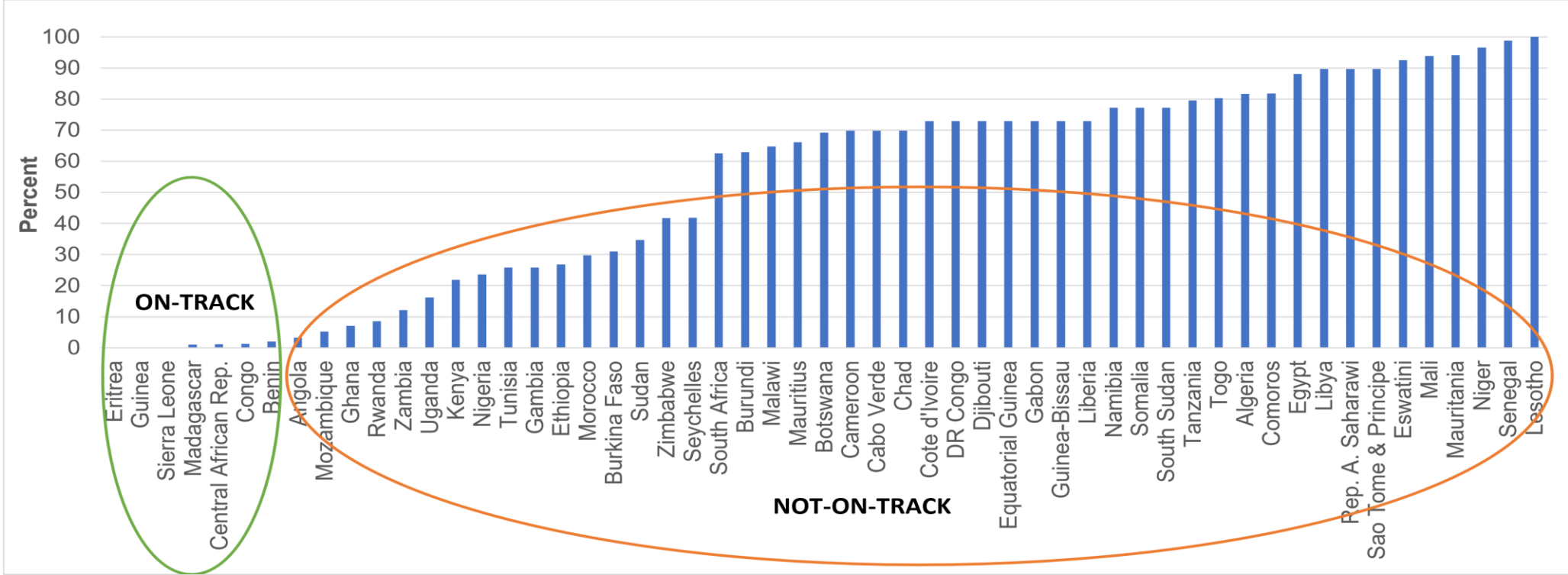


# COUNTRIES THAT ARE ON-TRACK TOWARD THE TRADE PLEDGE CONTRIBUTE TOO LITTLE TO INTRA-CONTINENTAL AG. TRADE



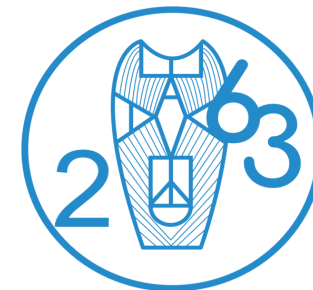
Comparing intra-continental trade contributions of countries on-track vs. countries not-on-track toward the ag. trade tripling commitment

Cumulative share in Intracontinental Agricultural Trade, 2016-2018 (%)



Countries are sorted from the best-performing to the least-performing on the trade tripling pledge





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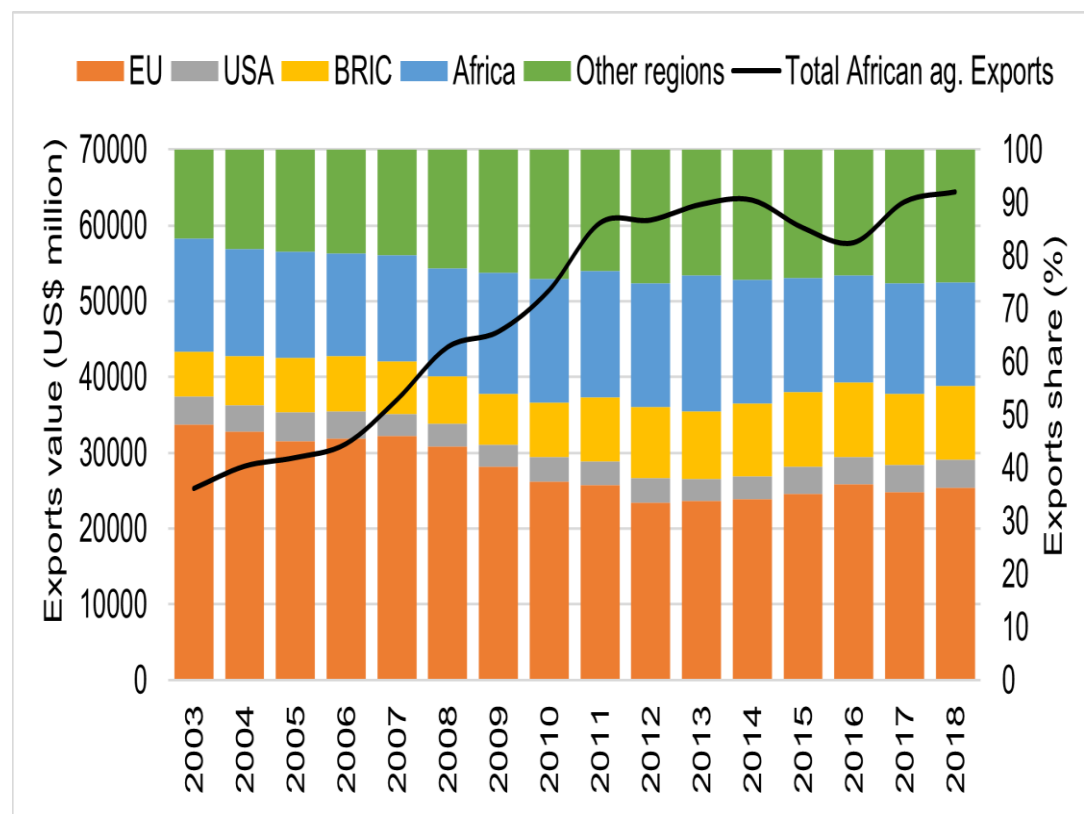
# AFRICA'S GLOBAL AGRICULTURAL EXPORTS: A SMALL SHARE OF THE WORLD'S TOTAL BUT FAST-GROWING

Total Africa's agricultural exports have more than doubled between 2003 and 2018

Diversification of destination markets with increasing shares towards the BRIC and other developing economies and decreasing shares towards the EU

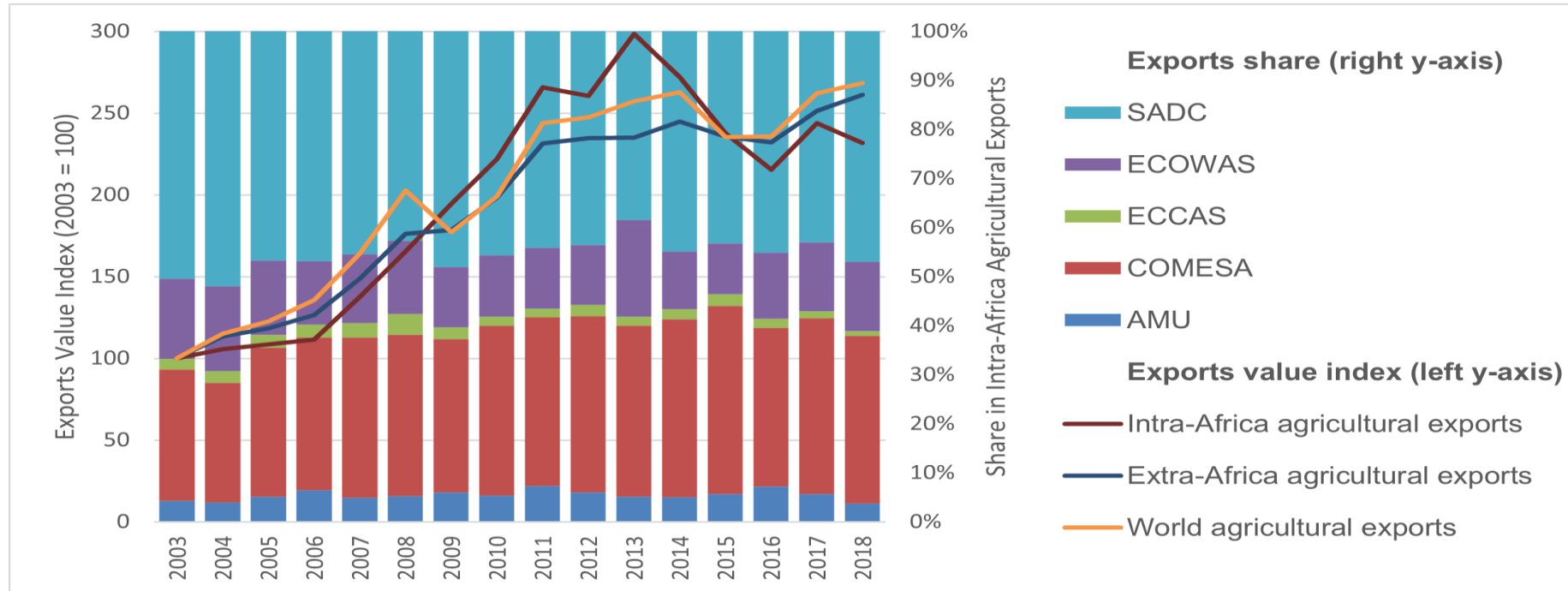
But the EU remains the main destination with increasing importance in imports value terms

**Africa's agricultural exports value and major destinations, 2003–2018**



# INTRA-AFRICAN AGRICULTURAL TRADE IS DOMINATED BY SADC AND COMESA COUNTRIES.

Intra-African agricultural exports by region of origin, 2003–2018



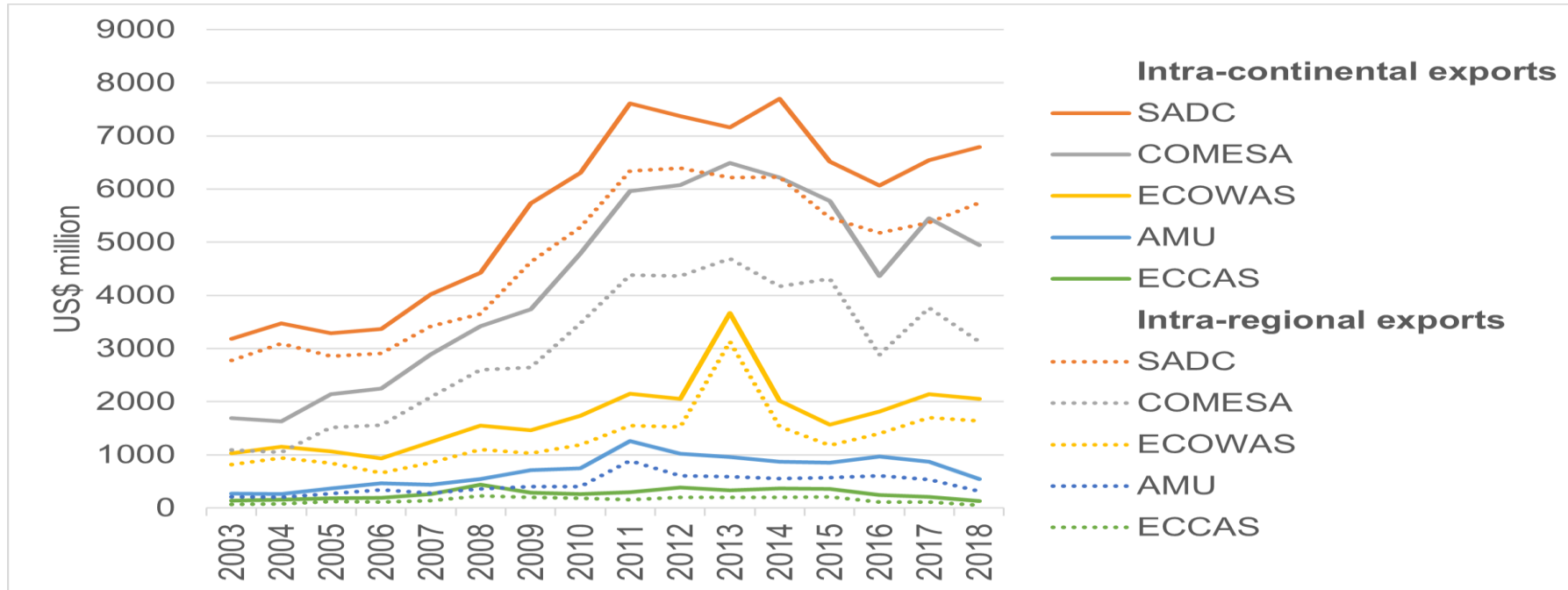
- Average contribution to intra-African agricultural exports in 2016-2018: 45% (SADC), 34% (COMESA), 14% (ECOWAS), 6% (AMU), and 1% (ECCAS)
- Intra-African agricultural exports grew faster than global exports from 2008 to 2015





# MOST INTRA-AFRICAN TRADE OCCURS WITHIN THE REGIONAL ECONOMIC COMMUNITIES

Trends in intra-African and intraregional agricultural exports, by region, 2003–2018



- Average share of intra-African exports retained within respective RECs in 2016-2018: 84% (SADC), 79% (ECOWAS), 66% (COMESA), 60% (AMU), and 46% (ECCAS).
- Potential for increasing intra-continental trade by further opening countries to extra-regional African trade.

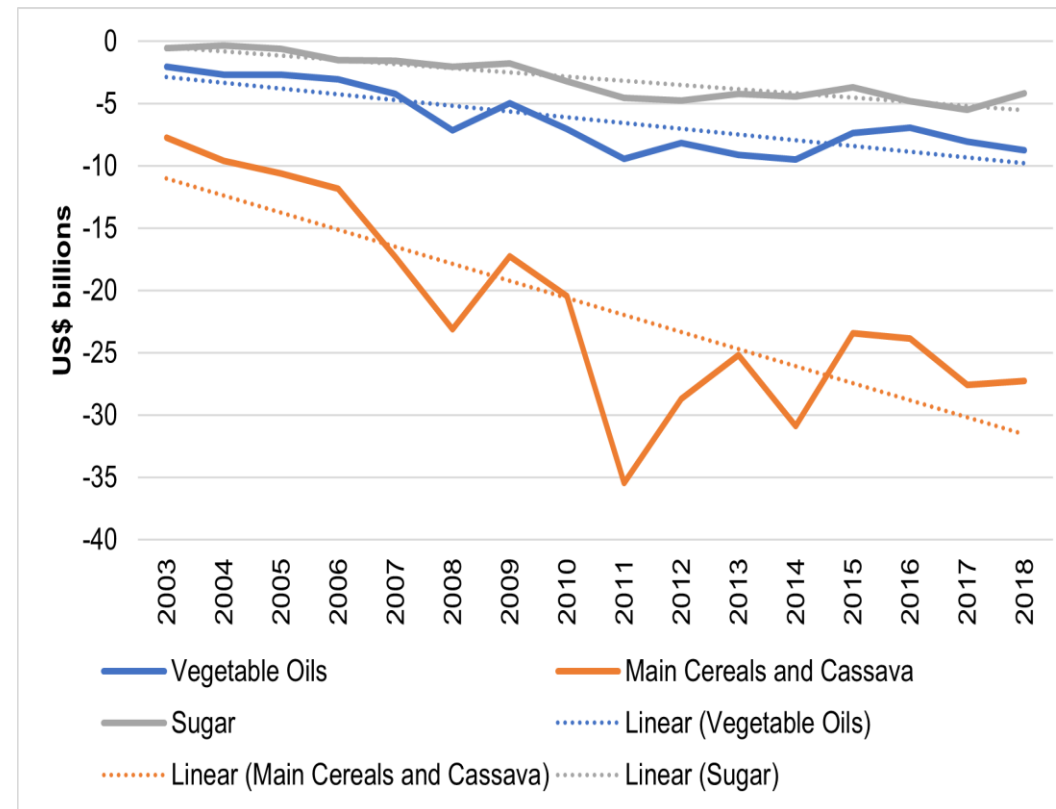


## THE OVERALL DEFICIT OF AGRICULTURAL TRADE IS DECLINING SINCE 2012 BUT THE DEFICIT IN MAJOR FOOD VALUE CHAINS IS CONTINUOUSLY INCREASING



- From US\$10 billion in 2003, the deficit in these three value chains reached US\$40 billion in 2018
- Increasing food trade deficit is triggered by high economic growth, demographic pressure and rapid urbanization
- Missed market opportunities for African agriculture

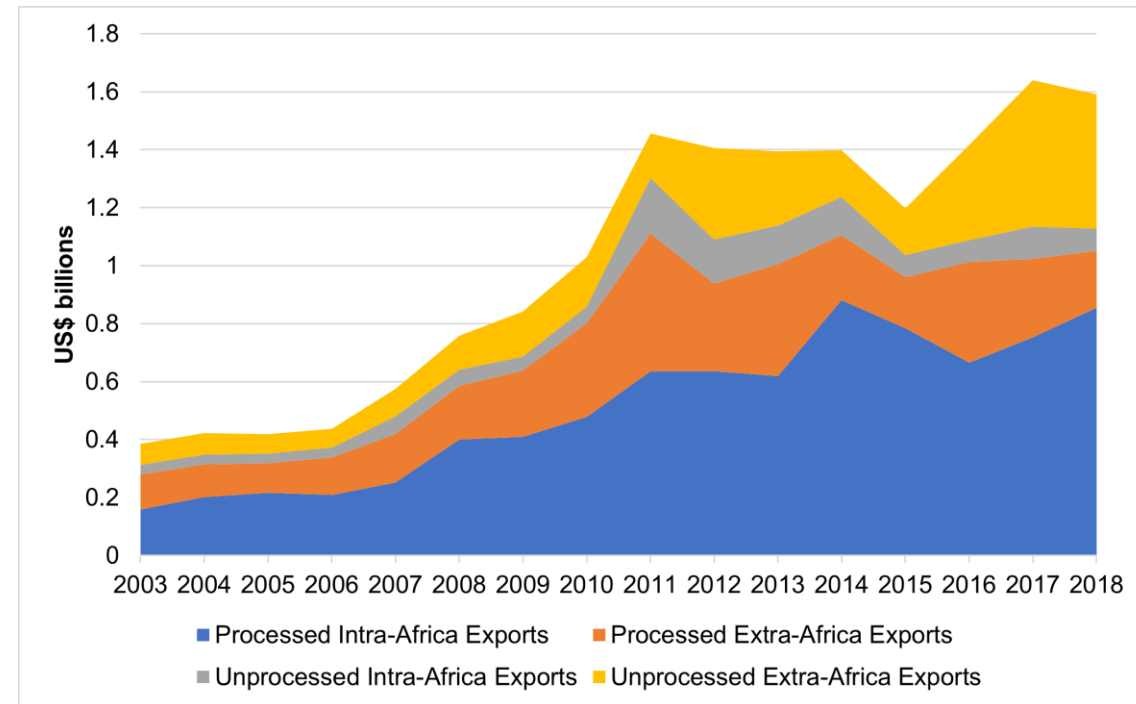
African net exports, value chains of main cereals and cassava, vegetable oils, and sugar



# AN INCREASING IMPORTANCE OF INTRA-AFRICA EXPORTS OF PROCESSED PRODUCTS

- In the vegetable oil value chain, the bulk of African exports consists of intra-African processed products.
- Same trends are observed in the main cereals (maize, rice, wheat) and cassava value chain and sugar value chain

African exports by stage of processing and by destination, vegetable oils value chain



# CONCLUDING REMARKS

- ONLY A HANDFUL OF COUNTRIES ARE ON-TRACK ON ACHIEVING THE AG TRADE TRIPLING COMMITMENT BY 2025
- HOWEVER, 2020 BR SCORES ALSO SHOW THAT INTRA-AFRICAN AG TRADE IS PROGRESSING IN A BROADER SET OF COUNTRIES
- AS CONFIRMED BY EVIDENCE FROM A DEEPER ANALYSIS OF AFRICAN AG TRADE TRENDS BETWEEN 2003 AND 2018 (IN THE 2020 AATM REPORT)
- TRADE FACILITATION EFFORTS SHOULD BE TARGETED TO SUSTAINING EXPORT DIVERSIFICATION TOWARDS EMERGING AND FAST-GROWING ECONOMIES
- THERE IS ROOM FOR EXPANDING INTRA-AFRICAN TRADE BY FURTHER OPENING COUNTRIES TO EXTRAREGIONAL TRADE FLOWS.
- THE AFCFTA AGENDA IS PROMISING FOR HELPING INTRA-AFRICAN TRADERS SEIZE MARKET OPPORTUNITIES IN FOOD VALUE CHAINS AND STRENGTHENING CURRENT CROSS-BORDER TRADE FLOWS





# Thank You

