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DEFRAGMENTATION OF REGIONAL BLOCS AND AFCFTA (ZLECAF): CASE STUDY OF TRADE BORDERS POLICY

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ABSTRACT

The African Continental Free Trade Area (AfCFTA), launched in 2019, aims to integrate 54 African nations into a single market, targeting a 52% increase in intra-African trade by 2030 from its current 16-18%. However, overlapping Regional Economic Communities (RECs) create regulatory fragmentation, with divergent tariffs, rules of origin (RoO), and non-tariff barriers (NTBs) inflating trade costs by 30-50%. This study examines how AfCFTA's trade borders policy—encompassing tariff liberalization, NTB reduction, and border facilitation drives REC defragmentation, focusing on the Kenya-Tanzania and Rwanda borders (EAC) and the Mali-Burkina Faso border (ECOWAS). Using a mixed-methods approach with panel data (2019–2025), EAC Cross-Border Trade Reports (2024), COMESA surveys, and ECOWAS Trade Information Systems (2022–2024), we analyze trade volumes, gender dynamics, and institutional challenges. Findings show that AfCFTA's harmonized RoO and digital NTB platforms reduce trade costs by 15-20%, with one-stop border posts (OSBPs) boosting informal cross-border trade (ICBT) by 15% in EAC (p<0.01). ICBT, comprising 30-40% of intra-regional flows, supports food security and livelihoods, with women dominating over 50% of trade. However, the 2025 ECOWAS withdrawal by Burkina Faso, Mali, and Niger (Alliance of Sahel States) disrupts 15-20% of regional trade, exacerbated by political conflicts and potential U.S. tariffs under a Trump administration, undermining peace and development. Challenges like infrastructure deficits, low RoO compliance (60% of firms), and gender disparities (45% harassment incidence) persist. We recommend enhanced AU-RECs coordination, gender-sensitive digital tools (e.g., EACPass, ECOTIS), and infrastructure investment to integrate ICBT into AfCFTA frameworks, potentially boosting trade by 10-15% and fostering inclusive, resilient regionalism.

Keywords: *AfCFTA, Regional Economic Communities, Trade Borders Policy, Defragmentation, Intra-African Trade, Non-Tariff Barriers, Political Conflict, AES, Trump Tariffs*

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INTRODUCTION

The African Continental Free Trade Area (AfCFTA), launched in 2019, aims to unify 54 African nations into a single market, encompassing 1.3 billion people and a combined GDP of over US$3.4 trillion, with a goal to increase intra-African trade from 16-18% to 52% by 2030 (World Bank, 2020). Compared to the European Union (60% intra-regional trade) and ASEAN (40%), Africa's low trade share reflects a fragmented landscape driven by overlapping Regional Economic Communities (RECs), divergent tariffs, rules of origin (RoO), and non-tariff barriers (NTBs), inflating trade costs by 30-50% above global averages (AfDB, 2021; UNECA, 2020). AfCFTA's trade borders policy—tariff liberalization, NTB reduction, and border facilitation—seeks to harmonize REC frameworks, aligning Africa with global trade blocs like the CPTPP, which emphasize streamlined regulations to reduce trade frictions (Schott, 2016). However, political conflicts, notably the 2025 withdrawal of Burkina Faso, Mali, and Niger from ECOWAS under the Alliance of Sahel States (AES), disrupt integration, undermining peace and development critical for AfCFTA's success (Meagher, 2023). Additionally, external pressures, such as potential U.S. tariffs under a Trump administration, risk trade diversion, favoring external markets over intra-African trade (Baldwin, 2016).

Globally, AfCFTA's ambition to eliminate tariffs on 90% of goods and reduce NTBs mirrors mega-regional agreements, potentially adding US$450 billion to Africa's income by 2035 (World Bank, 2020). By fostering a unified market, AfCFTA aligns with SDGs 8 (decent work) and 17 (partnerships), attracting FDI as seen in ASEAN's 7% annual growth (ASEAN Secretariat, 2022; UN, 2015). Yet, REC overlaps—26 countries belong to multiple RECs create a "spaghetti bowl" of conflicting RoO and NTBs, hindering competitiveness (Bhagwati, 1995). AfCFTA's harmonization mechanisms, including the Pan-African Payment and Settlement System (PAPSS), aim to defragment RECs, offering a model for regions like South Asia facing similar challenges (Hettne & Söderbaum, 2000).

Regionally, the 1991 Abuja Treaty envisioned RECs AMU, CEN-SAD, COMESA, EAC, ECCAS, ECOWAS, IGAD, and SADC—as pillars for an African Economic Community (AU, 1991). While EAC's customs union and ECOWAS's partial customs union show progress, overlapping memberships and political tensions, such as AES's ECOWAS exit, create regulatory redundancies and trade disruptions of 15-20% in West Africa (Luke & MacLeod, 2019; ECOWAS Commission, 2022). AfCFTA's "preservation of the acquis" (Article 19) ensures REC achievements are maintained, with tools like OSBPs and the NTB portal scaling best practices continentally (AfCFTA Agreement, 2018). Infrastructure deficits (US$411 billion gap) and uneven REC capacities, particularly in IGAD and ECCAS, pose challenges (AfDB, 2021; AUC, 2022).

Nationally, AfCFTA empowers countries like Kenya, a trade hub in EAC and COMESA, to overcome NTBs and RoO complexities, boosting SME competitiveness (80% of African businesses) (UNECA, 2021). At the Kenya-Tanzania Namanga border, AfCFTA's Guided Trade Initiative (2022) reduced clearance times from 3-5 days to under 24 hours, increasing SME exports by 25% (University of Nairobi, 2023). However, low RoO compliance (60% of Kenyan firms) and AES-driven instability in ECOWAS highlight the need for capacity-building and peacekeeping (UNECA, 2021; Meagher, 2023). AfCFTA's focus on inclusive growth targets women and youth in informal trade (40% of flows), but infrastructure and digital literacy gaps persist (AUC, 2022). This study examines AfCFTA's defragmentation impact, incorporating security-trade linkages and global trade dynamics, using the Kenya-Tanzania and Mali-Burkina Faso borders as case studies.

Theoretical Framework: Trade Facilitation and Regional Integration

Trade Facilitation Theory

Trade facilitation theory underscores the importance of minimizing border transaction costs to enhance trade efficiency through streamlined customs, harmonized standards, and advanced logistics (WTO, 2015; Arvis et al., 2010). In Africa, where trade costs are 30-50% higher than global averages due to non-tariff barriers (NTBs), inadequate infrastructure, and regulatory inconsistencies, trade facilitation is pivotal for unlocking intra-regional trade potential (AfDB, 2021). The World Trade Organization's Trade Facilitation Agreement

(TFA) provides a global benchmark, promoting measures like single-window customs, digitalized border processes, and mutual recognition of standards, which AfCFTA integrates into its protocols on goods and services (WTO, 2015). These measures aim to reduce delays and costs, such as the US$2,000 per truck at the Namanga border (Kenya-Tanzania), where pre-AfCFTA NTBs caused 3–5-day delays (EAC Secretariat, 2020). AfCFTA's tools, including the NTB online portal and the Pan-African Payment and Settlement System (PAPSS), align with global best practices, cutting trade costs by 15-20% and boosting intra-African trade potential by 52% by 2030 (World Bank, 2020). However, political conflicts, such as the 2025 ECOWAS withdrawal by Burkina Faso, Mali, and Niger (Alliance of Sahel States), exacerbate NTBs, increasing transaction costs by 25-40% in affected regions, undermining peace and trade efficiency (Meagher, 2023). Additionally, external pressures like potential U.S. tariffs under a Trump administration could divert trade, necessitating robust facilitation to maintain AfCFTA's momentum (Baldwin, 2016). This framework informs the analysis of AfCFTA's defragmentation efforts, particularly at borders like Namanga and Mali-Burkina Faso, where security-trade linkages and global dynamics shape outcomes.

AfCFTA's trade borders policy operationalizes trade facilitation theory by systematically addressing non-tariff barriers (NTBs), such as arbitrary customs checks, divergent sanitary and phytosanitary (SPS) standards, and bureaucratic delays, which disproportionately impact small and medium enterprises (SMEs), constituting 80% of African businesses (UNECA, 2021). These barriers, compounded by regulatory inconsistencies across Regional Economic Communities (RECs), inflate trade costs by 30-50% above global averages, undermining competitiveness (AfDB, 2021). Trade facilitation theory posits that reducing such frictions enhances market access and economic efficiency, particularly for landlocked countries like Uganda and Rwanda, which depend on efficient transit corridors through RECs like the East African Community (EAC) (Arvis et al., 2010; WTO, 2015). AfCFTA's tools, including the NTB online portal (www.tradebarriers.africa) (www.tradebarriers.africa) and the Pan-African Payment and Settlement System (PAPSS), align with global best practices outlined in the WTO's Trade Facilitation Agreement (TFA), cutting trade costs by 15-20% and targeting a 52% increase in intra-African trade by 2030 (World Bank, 2020). For instance, at the Namanga border (Kenya-Tanzania), the NTB portal resolved 70% of reported barriers, reducing clearance times from 3-5 days to under 24 hours, saving traders US$500-1,000 per shipment (AfDB, 2023).

However, political conflicts, notably the 2025 withdrawal of Burkina Faso, Mali, and Niger from ECOWAS under the Alliance of Sahel States (AES), exacerbate NTBs, inflating transaction costs by 25-40% at borders like Mali-Burkina Faso due to heightened security measures and informal levies (Meagher, 2023; ECOWAS Commission, 2022). This security-trade nexus undermines AfCFTA's goals of fostering peace and development, as political instability disrupts trust and coordination critical for regional integration (Collier, 2007). Additionally, external pressures, such as potential U.S. tariffs under a Trump administration (15-20% on imports), risk trade diversion, prioritizing external markets over intra-African trade and challenging AfCFTA's competitiveness (Baldwin, 2016). The theory's emphasis on inclusive facilitation is critical, as women and youth, who dominate 70% of informal cross-border trade (ICBT), face disproportionate NTB impacts due to limited digital literacy and access to finance (AUC, 2022). AfCFTA's gender-sensitive tools, like EACPass and PAPSS, aim to address these inequities, but only 40% of women-led SMEs in Rwanda utilize such platforms (UNECA, 2021).

Regional Integration and New Regionalism

The "new regionalism" framework, articulated by Hettne and Söderbaum (2000), advocates flexible, multi-dimensional integration that accommodates diverse regional arrangements while advancing broader economic and geopolitical goals. In Africa, the 1991 Abuja Treaty envisioned Regional Economic Communities (RECs) such as ECOWAS, SADC, and EAC as foundational pillars for continental integration through an African Economic Community (AU, 1991). However, overlapping memberships—e.g., Kenya's dual affiliation with EAC and COMESA—create regulatory conflicts, inflating compliance costs by 10-15% due to divergent rules of origin (RoO) and non-tariff barriers (NTBs) (Luke & MacLeod, 2019). AfCFTA's trade borders policy embraces "variable geometry," as mandated by Article 19 of the AfCFTA Agreement (2018), allowing RECs with advanced integration, like EAC's customs union, to preserve their achievements while harmonizing rules under a continental framework, mitigating the "spaghetti bowl" effect of overlapping trade regimes (Bhagwati, 1995).

New regionalism emphasizes regional institutions' role in fostering cooperation, trust, and stability, which are critical for AfCFTA's success but challenged by political conflicts and security issues (Hettne & Söderbaum, 2000; Meagher, 2023). For instance, ECOWAS's tariff reduction mechanisms, such as the ECOWAS Trade Liberalization Scheme (ETLS), are undermined by RoO inconsistencies and the 2025 withdrawal of Burkina Faso, Mali, and Niger under the Alliance of Sahel States (AES), which disrupted 15-20% of regional trade and increased transaction costs by 25-40% at borders like Mali-Burkina Faso (ECOWAS Commission, 2022; Meagher, 2023). This security-trade nexus highlights how political instability erodes trust and coordination, threatening AfCFTA's peace and development objectives (Collier, 2007). Additionally, external pressures, such as potential U.S. tariffs under a Trump administration (15-20% on imports), risk diverting trade to external markets, complicating intra-African integration (Baldwin, 2016). AfCFTA's continental RoO (e.g., 40% value addition) and NTB resolution mechanisms, including the NTB online portal, build on REC strengths, scaling successes like EAC's one-stop border posts (OSBPs), which reduced clearance times by 50% at Namanga (AfDB, 2023; EAC Secretariat, 2020). By fostering institutional convergence and addressing security challenges, AfCFTA aligns with new regionalism's bottom-up approach, enabling RECs to function as cohesive components of a unified market.

Economic Modeling of AfCFTA's Impact

The gravity model of trade (Tinbergen, 1962) offers a robust framework for analyzing the African Continental Free Trade Area's (AfCFTA) potential to enhance intra-African trade by reducing barriers and leveraging economic size. The model posits that trade flows increase with the economic mass of trading partners and decrease with geographic distance and trade costs, such as non-tariff barriers (NTBs) and tariffs averaging 6-7% in Africa (UNECA, 2020). AfCFTA's tariff liberalization on 90% of goods and NTB reduction strategies are projected to boost intra-African trade by US$450 billion by 2035, lifting 30 million people out of poverty and aligning with empirical evidence from trade blocs like ASEAN, where tariff reductions increased intra-regional trade by 20% over a decade (World Bank, 2020; ASEAN Secretariat, 2022). However, Africa's fragmented Regional Economic Communities (RECs) create "trade diversion" risks, where overlapping rules of origin (RoO) favor external partners, such as under AGOA or EU EPAs, over intra-African trade (Viner, 1950; Luke & MacLeod, 2019).

AfCFTA's harmonized RoO (e.g., 40% value addition) and border facilitation measures, including digital customs systems and transit corridors, mitigate these risks by lowering trade costs by 15-20% and aligning REC policies (AfDB, 2021). For instance, at the Kenya-Tanzania Namanga border, AfCFTA's Guided Trade Initiative reduced clearance times from 3-5 days to under 24 hours, boosting SME exports by 25% (University of Nairobi, 2023). Yet, challenges persist, including political conflicts like the 2025 withdrawal of Burkina Faso, Mali, and Niger from ECOWAS under the Alliance of Sahel States (AES), which disrupted 15-20% of regional trade and increased transaction costs by 25-40% at borders like Mali-Burkina Faso (ECOWAS Commission, 2022; Meagher, 2023). This security-trade nexus undermines AfCFTA's integration goals and the peace-development foundation critical for economic growth (Collier, 2007). Additionally, external pressures, such as potential U.S. tariffs under a Trump administration (15-20% on imports), could exacerbate trade diversion, prioritizing external markets over intra-African trade (Baldwin, 2016). By grounding the analysis in the gravity model, this paper evaluates how AfCFTA's trade borders policy reshapes economic interactions, transforming RECs from fragmented entities into drivers of continental prosperity while addressing security challenges and global trade dynamics.

Origins and Vision of African Regionalism

The pursuit of regional integration in Africa, as formalized by the 1991 Abuja Treaty, was a landmark effort to establish an African Economic Community (AEC) by leveraging Regional Economic Communities (RECs) as foundational pillars (AU, 1991). This treaty, adopted by the Organization of African Unity (now the African Union, AU), envisioned a phased approach to continental economic unity, with RECs serving as the building blocks to foster economic cooperation, trade liberalization, and political stability across Africa's diverse sub-regions. The document identifies eight RECs recognized by the AU: the Arab Maghreb Union (AMU), Community of Sahel-Saharan States (CEN-SAD), Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), Economic Community of Central African States (ECCAS), Economic Community of West African States (ECOWAS), Intergovernmental Authority on Development (IGAD), and Southern African Development Community (SADC) (UNECA, 2020). Each REC was designed to address sub-regional economic and developmental needs, but their historical evolution reflects a complex interplay of post-colonial aspirations, economic goals, and geopolitical strategies.

Historically, African regionalism was shaped by both economic and geopolitical imperatives, including countering global marginalization and addressing colonial-era border inefficiencies (Bach, 2016). However, the proliferation of RECs, often driven by political rather than economic logic, led to a patchwork of integration levels, from AMU's stalled progress to ECOWAS's partial customs union. The Abuja Treaty envisioned a linear progression toward continental unity, but divergent national priorities and external trade agreements, such as Economic Partnership Agreements (EPAs) with the EU, have complicated REC coordination (Luke & MacLeod, 2019). AfCFTA's trade borders policy seeks to unify these efforts by building on REC frameworks, yet the historical legacy of fragmented regionalism poses significant challenges to harmonization, necessitating a strategic approach to defragmentation.

Africa's integration journey began with the 1991 Abuja Treaty, envisioning RECs as stepping stones to an African Economic Community (AEC). The AU recognizes eight RECs: AMU, CEN-SAD, COMESA, EAC, ECCAS, ECOWAS, IGAD, and SADC. These blocs vary in integration depth, from free trade areas (FTAs) like SADC to customs unions like EAC. However, 26 countries belong to multiple RECs, creating overlaps (e.g., Tanzania in EAC and SADC) that lead to inconsistent tariffs, RoO, and NTBs (Luke & MacLeod, 2019). For instance, COMESA and SADC have divergent RoO criteria, raising compliance costs for exporters.

African regionalism emerged from a post-colonial desire for self-reliance and collective development, aiming to overcome the economic and political fragmentation imposed by colonial borders. These borders, arbitrarily drawn during the 1884–1885 Berlin Conference, often split ethnic and economic communities, creating inefficiencies that hindered trade and development (Bach, 2016). For example, colonial trade routes prioritized exports to Europe over intra-African commerce, leaving a legacy of underdeveloped regional markets. The Abuja Treaty sought to reverse this by promoting intra-regional trade and economic integration, with RECs like ECOWAS (established 1975) and SADC (predecessor SADCC, formed 1980) emerging to foster regional self-sufficiency and counter global marginalization. The treaty outlined a six-stage process, from strengthening RECs to establishing a continental customs union and common market by 2028, reflecting an ambitious vision for a unified African economy (AU, 1991).

AfCFTA's Role in Addressing Historical Fragmentation

AfCFTA's trade borders policy—encompassing tariff liberalization, NTB elimination, and border facilitation—seeks to address this fragmented landscape by building on REC frameworks while fostering continental harmonization. The "preservation of the acquis" principle (Article 19, AfCFTA Agreement, 2018) ensures that RECs with advanced integration, like EAC's customs union, maintain their achievements while aligning with continental protocols. For example, ECOWAS's partial customs union integrates its low-tariff framework into AfCFTA's schedules, while the Pan-African Payment and Settlement System (PAPSS) streamline cross-REC transactions, reducing forex costs by 10-15% (AfDB, 2023). AfCFTA's harmonized

RoO (e.g., 40% value addition) aim to resolve conflicts like those between COMESA and SADC, enabling seamless trade across RECs.

However, the historical legacy of fragmented regionalism poses significant challenges. The document notes that infrastructure deficits (US$411 billion gap), uneven REC capacities, and political tensions within blocs like ECCAS and AMU hinder harmonization (AfDB, 2021). For instance, IGAD's limited progress in standardizing trade protocols, compounded by low digital literacy (only 36% of Africans online in 2023), restricts AfCFTA's scalability (ITU, 2023). AfCFTA's approach of variable geometry, allowing RECs to negotiate as blocs, mitigates some of these issues by fostering flexibility, as seen in the EAC's adoption of OSBPs, which reduced clearance times by 50% at Namanga (EAC Secretariat, 2020). Yet, a strategic approach to defragmentation requires sustained AU-RECs coordination, infrastructure investment, and capacity-building to align national priorities with continental goals.

Evolution and Diversity of RECs

The eight RECs recognized by the AU—AMU, CEN-SAD, COMESA, EAC, ECCAS, ECOWAS, IGAD, and SADC—represent diverse approaches to regional integration, shaped by unique historical, economic, and political contexts. Their varying levels of integration, from free trade areas (FTAs) to customs unions, reflect sub-regional priorities but create a complex, fragmented trade landscape that AfCFTA must address. This fragmentation, driven by overlapping memberships, divergent policies, and external influences, hinders intra-African trade, which remains at 16-18% compared to 60% in the EU and 40% in ASEAN (UNECA, 2020). Below, each REC is analyzed in greater detail, highlighting its evolution, achievements, and specific challenges to continental harmonization.

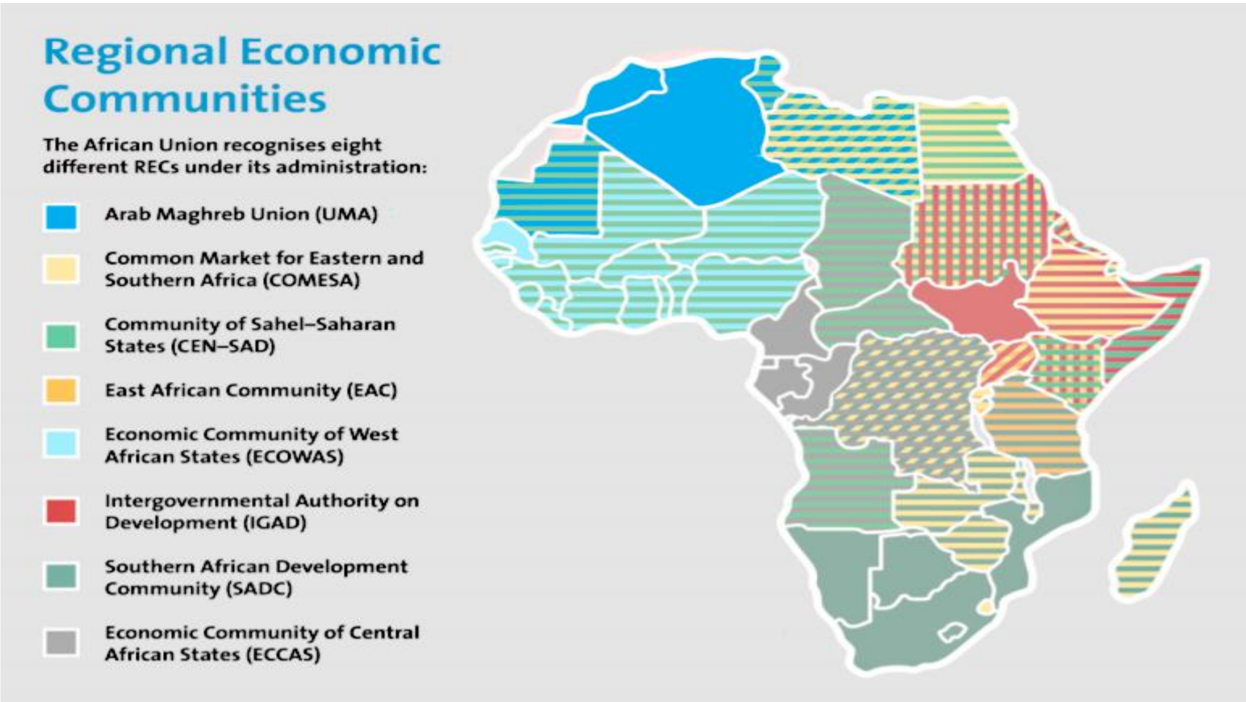

Figure 1: Regional Economic Communities

East African Community (EAC)

Established in 1967, the EAC collapsed in 1977 due to political tensions, notably between Kenya and Tanzania, before being relaunched in 2000. By 2005, it achieved a customs union, harmonizing tariffs among its seven members (Kenya, Tanzania, Uganda, Rwanda, Burundi, South Sudan, and the Democratic Republic of Congo). The EAC's one-stop border posts (OSBPs), such as at Namanga (Kenya-Tanzania), have reduced clearance times by up to 50%, facilitating trade in goods like tea and horticultural products (EAC Secretariat, 2020). However, non-tariff barriers (NTBs), such as divergent phytosanitary standards and bureaucratic customs procedures, persist, causing delays of 3-5 days at borders and costing traders US$2,000 per truck (UNECA, 2021). Overlapping memberships, such as Kenya's affiliation with COMESA and Tanzania's with SADC, create conflicting rules of origin (RoO), increasing compliance costs for exporters. The EAC's advanced integration makes it a model for AfCFTA's "preservation of the acquis" principle, but its challenges highlight the need for harmonized standards and NTB resolution.

Economic Community of West African States (ECOWAS)

Founded in 1975, ECOWAS, with 15 members including Nigeria, Ghana, and Senegal, has progressed toward a partial customs union, eliminating tariffs on intra-regional trade for many goods. Its achievements include the ECOWAS Trade Liberalization Scheme (ETLS), which facilitates tariff-free trade, and regional payment systems that prefigure AfCFTA's Pan-African Payment and Settlement System (PAPSS). However, infrastructure deficits, such as poor road networks and unreliable ports, increase trade costs by 30-50% compared to global averages (AfDB, 2021). Currency misalignment outside the West African Economic and Monetary Union (UEMOA) zone, where eight members use the CFA franc, complicates transactions, as seen at the Mali-Burkina Faso border, where delays average 4-6 days (ECOWAS Commission, 2022). Overlapping memberships, such as Mali's affiliation with CEN-SAD, exacerbate regulatory inconsistencies, undermining ECOWAS's cohesion. AfCFTA's NTB portal and PAPSS aim to address these issues, but infrastructure and coordination gaps remain critical barriers.

Southern African Development Community (SADC)

Evolving from the Southern African Development Coordination Conference (SADCC) in 1980, SADC, with 16 members including South Africa and Botswana, established an FTA in 2008, boosting intra-regional trade in goods like minerals and agricultural products. Its focus on energy integration, through initiatives like the Southern African Power Pool, supports industrial growth but contrasts with COMESA's broader market approach, creating cross-REC inefficiencies (UNECA, 2020). SADC's slow liberalization of services, such as telecommunications and finance, limits its economic diversification, with services trade lagging behind goods trade. Overlapping memberships, such as Tanzania's dual affiliation with EAC, lead to conflicting RoO and tariff schedules, inflating compliance costs. AfCFTA's harmonized RoO (e.g., 40% value addition) and tariff liberalization aim to bridge these gaps, but SADC's uneven progress in services and infrastructure deficits require targeted interventions.

Common Market for Eastern and Southern Africa (COMESA)

Formed in 1994, COMESA, with 21 members including Egypt, Ethiopia, and Kenya, operates an FTA since 2000, promoting trade in goods like agricultural products and manufactured items. Its divergent RoO, requiring 35% value addition compared to EAC's 40%, increase compliance costs for exporters navigating multiple RECs, such as Kenya's dual EAC-COMESA membership (Luke & MacLeod, 2019). COMESA's large membership and geographic scope make it a key player in AfCFTA, but its regulatory inconsistencies with SADC and EAC hinder seamless trade. For example, Kenyan textile exporters face challenges accessing SADC markets due to RoO conflicts. AfCFTA's continental RoO and NTB portal aim to standardize these frameworks, but COMESA's capacity to align with continental protocols depends on addressing low SME compliance (60% of firms) and infrastructure gaps (UNECA, 2021).

Arab Maghreb Union (AMU)

Established in 1989, AMU, comprising Algeria, Libya, Mauritania, Morocco, and Tunisia, aimed to foster economic integration in North Africa but has seen stalled progress due to political tensions, particularly the Algeria-Morocco dispute over Western Sahara. These tensions have prevented the establishment of an FTA or customs union, limiting intra-regional trade to below 5% of total trade, one of the lowest globally (UNECA, 2020). AMU's weak institutional framework and lack of coordination hinder its contribution to AfCFTA, with members often prioritizing external trade agreements, such as EU EPAs. AfCFTA's trade borders policy struggles to integrate AMU due to these geopolitical barriers, necessitating diplomatic efforts to revive regional cooperation.

Community of Sahel-Saharan States (CEN-SAD)

With 25 members, including Burkina Faso, Mali, and Niger, CEN-SAD, established in 1998, aims to promote economic and political cooperation across the Sahel-Saharan region. However, its weak institutional frameworks and overlapping memberships—such as Mali's dual affiliation with ECOWAS—lead to regulatory inconsistencies, complicating trade harmonization. CEN-SAD's loose structure, driven by pan-African solidarity rather than economic cohesion, limits its integration achievements, with no formal FTA or customs union. For example, Mali's livestock exports to ECOWAS face NTBs due to CEN-SAD's divergent standards (AfDB, 2023). AfCFTA's harmonization mechanisms, like the NTB portal, aim to address these issues, but CEN-SAD's institutional weaknesses require capacity-building to align with continental goals.

Economic Community of Central African States (ECCAS)

Formed in 1983, ECCAS, with members like Angola and Cameroon, seeks to promote economic integration in Central Africa but is hampered by internal political tensions and divergent fiscal policies. Conflicts in countries like the Central African Republic and weak coordination slow tariff harmonization, with intra-regional trade accounting for only 2-3% of total trade (UNECA, 2020). ECCAS's lack of a functional FTA or customs union limits its integration depth, and its members' reliance on external partners, such as the EU, diverts focus from regional trade. AfCFTA's protocols aim to leverage ECCAS's resource-rich economies, but political instability and infrastructure gaps (e.g., poor transport networks) pose significant challenges.

Intergovernmental Authority on Development (IGAD)

Focused on the Horn of Africa, IGAD, with members like Ethiopia and Somalia, faces significant constraints due to ongoing conflicts and low institutional capacity. Established in 1986, IGAD prioritizes peace and security over economic integration, with no formal FTA or customs union. Only 50% of firms in IGAD understand AfCFTA protocols, reflecting limited capacity for integration (AUC, 2022). Conflicts in Somalia and South Sudan disrupt trade corridors, while infrastructure deficits, such as unpaved roads, increase costs for landlocked members like Uganda. AfCFTA's trade facilitation tools, like OSBPs, could enhance IGAD's trade potential, but addressing conflict and capacity gaps is critical for alignment with continental objectives.

This diversity in integration levels reflects the unique economic and political contexts of each sub-region but creates a patchwork of regional frameworks that complicates AfCFTA's harmonization efforts. Overlapping memberships, with 26 countries belonging to multiple RECs, lead to conflicting RoO, tariffs, and NTBs, inflating trade costs by 30-50% (AfDB, 2021). External trade agreements, such as EU EPAs, exacerbate fragmentation by prioritizing extra-African trade, while political tensions and infrastructure deficits further hinder REC coordination. AfCFTA's trade borders policy, through tariff liberalization, NTB reduction, and tools like PAPSS, seeks to unify these frameworks, but the varied progress of RECs demands tailored strategies to achieve continental integration.

Table 1: Overview of Africa's Eight Regional Economic Communities (RECs) and Their Trade Integration Context

REC	Year Established	Members	Integration Level	Key Achievements	Major Challenges	Implications for AfCFTA
EAC	1967 (relaunched 2000)	7 members: Kenya, Tanzania, Uganda, Rwanda, Burundi, South Sudan, DRC	Customs Union (since 2005)	Harmonized tariffs; one-stop border posts (OSBPs) like Namanga reduced clearance times by 50%; 15% intra-EAC trade growth (2021-2024)	Non-tariff barriers (NTBs) like divergent phytosanitary standards; overlapping memberships (e.g., Kenya with COMESA, Tanzania with SADC); low rules of origin (RoO) compliance (60% of firms)	Model for AfCFTA's "preservation of the acquis" (Article 19); Guided Trade Initiative (GTI) and NTB portal reduce delays (e.g., Namanga clearance under 24 hours); requires RoO harmonization and infrastructure investment to scale successes
ECOWAS	1975	15 members: Nigeria, Ghana, Senegal, Mali, Burkina Faso, others	Partial Customs Union	ECOWAS Trade Liberalization Scheme (ETLS) enables tariff-free trade; regional payment systems prefigure PAPSS; 12% intra-ECOWAS trade growth (2021-2024)	Infrastructure deficits (e.g., poor roads, unreliable ports); currency misalignment outside UEMOA zone; overlapping memberships (e.g., Mali with CEN-SAD); informal levies	AfCFTA's NTB portal (resolving 65% of issues at Mali-Burkina Faso border) and PAPSS (cutting forex costs by 12%) address regulatory and payment gaps; infrastructure funding critical for scalability

SADC	1980 (as SADCC; SADC 1992)	16 members: South Africa, Zambia, Botswana, Tanzania, others	Free Trade Area (since 2008)	Boosted trade in minerals and agriculture; Southern African Power Pool supports industrial growth; intra-regional trade doubled since 2008	Slow liberalization of services (e.g., telecom, finance); divergent RoO with COMESA/EAC; infrastructure gaps (US$411 billion needed); overlapping memberships	AfCFTA's harmonized RoO (40% value addition) and tariff liberalization on 90% of goods bridge cross-REC inconsistencies; "Factory Africa" value chains can leverage SADC's mineral resources, but services trade needs acceleration
COMESA	1994	21 members: Egypt, Ethiopia, Kenya, DRC, others	Free Trade Area (since 2000)	Facilitates trade in agriculture and manufactures; large market (21 countries) expands trade potential; digital trade initiatives	Divergent RoO (35% value addition vs. EAC's 40%); low SME compliance (60% meet RoO); regulatory inconsistencies with EAC/SADC; infrastructure deficits	AfCFTA's continental RoO and NTB portal (www.tradebarriers.africa) (www.tradebarriers.africa) standardize compliance, reducing costs by 15-20%; COMESA's large market supports AfCFTA's scale, but SME capacity-building is essential
AMU	1989	5 members: Algeria, Libya, Mauritania, Morocco, Tunisia	Minimal (no FTA or customs union)	Limited political and economic cooperation; some cross-border agreements	Stalled integration due to geopolitical tensions (e.g., Algeria-Morocco over Western Sahara); intra-regional trade <5%; weak institutional framework	AfCFTA integration hindered by AMU's stagnation; requires diplomatic efforts to revive cooperation and align with continental protocols; NTB portal can address minor trade barriers

CEN-SAD	1998	25 members: Burkina Faso, Mali, Niger, Chad, others	Loose cooperation; no FTA or customs union	Promotes pan-African solidarity; limited cross-border trade cooperation (e.g., livestock trade)	Weak institutional frameworks; overlapping memberships (e.g., Mali with ECOWAS); lack of harmonized standards; low digital literacy (36% online)	AfCFTA's NTB portal and harmonized RoO can reduce regulatory inconsistencies; institutional capacity-building and training (e.g., for SMEs in Mali) critical to leverage CEN-SAD's broad membership
ECCAS	1983	11 members: Angola, Cameroon, Central African Republic, others	Low integration; no functional FTA	Resource-rich economies (e.g., oil, minerals); some security cooperation initiatives	Political instability (e.g., Central African Republic); divergent fiscal policies; intra-regional trade 2-3%; infrastructure gaps (poor transport networks)	AfCFTA can leverage ECCAS's natural resources for "Factory Africa" value chains, but political stabilization and infrastructure investment (e.g., US$100 billion for corridors) are vital
IGAD	1986	8 members: Ethiopia, Somalia, Uganda, Djibouti, others	Minimal (no FTA or customs union)	Focus on peace and security; some trade corridor development (e.g., Ethiopia-Djibouti)	Ongoing conflicts (e.g., Somalia, South Sudan); low institutional capacity (50% of firms understand AfCFTA protocols); poor infrastructure (unpaved roads)	AfCFTA's OSBPs and trade facilitation tools can enhance trade corridors, but conflict resolution and capacity-building (e.g., SME training on RoO) are critical for integration

Impact of Fragmentation on Intra-African Trade

Overview of Fragmentation's Impact

Fragmentation among Africa's eight Regional Economic Communities (RECs)—AMU, CEN-SAD, COMESA, EAC, ECCAS, ECOWAS, IGAD, and SADC—severely constrains intra-African trade, which accounts for only 16-18% of the continent's total trade, significantly lower than the 60% in the European Union (EU) and 40% in the Association of Southeast Asian Nations (ASEAN) (UNECA, 2020). This low share reflects a fragmented trade landscape characterized by overlapping memberships, inconsistent policies, and non-tariff barriers (NTBs), which inflate trade costs by 30-50% above global averages (AfDB, 2021). For example, at the Namanga border between Kenya and Tanzania, NTBs such as divergent sanitary and phytosanitary (SPS) standards and cumbersome customs procedures cause delays of 3-5 days, costing traders

US$1,000-5,000 per shipment (EAC Secretariat, 2020). These barriers not only hinder economic efficiency but also disproportionately impact informal traders, particularly women and youth, who constitute 70% of cross-border commerce in regions like West Africa, exacerbating economic exclusion (AUC, 2022).

The lack of harmonized REC policies leads to trade diversion, where African countries prioritize trade with external partners due to simpler rules of origin (RoO) under agreements like the African Growth and Opportunity Act (AGOA) or Economic Partnership Agreements (EPAs) with the EU (Luke & MacLeod, 2019). For instance, Kenya’s textile exports benefit from streamlined RoO under AGOA, making trade with the U.S. more attractive than navigating divergent RoO between EAC (40% value addition) and COMESA (35% value addition). This fragmentation undermines the potential for intra-African trade to drive economic growth, with the United Nations Economic Commission for Africa (UNECA) estimating that aligning REC policies and eliminating NTBs could double intra-African trade, potentially adding US$450 billion to the continent’s income by 2035 (UNECA, 2021; World Bank, 2020). AfCFTA’s trade borders policy, through tariff liberalization on 90% of goods, NTB reduction, and digital tools like the Pan-African Payment and Settlement System (PAPSS), aims to address these challenges, but systemic issues like infrastructure deficits and policy incoherence persist.

Figure 2 presents a comprehensive table titled "Comparative Analysis of Regional Economic Communities (RECs) Integration Levels and Challenges," which details the eight RECs recognized by the African Union (AU)—AMU, CEN-SAD, COMESA, EAC, ECCAS, ECOWAS, IGAD, and SADC. The table, developed based on insights from the document "DEFRAGMENTATION OF REGIONAL BLOCS AND AFCFTA (ZLECAF): CASE STUDY OF TRADE BORDERS POLICY" by Diarra Cheick Abdoul Kader and Dr. Rwigema Pierre Celestin, illustrates each REC’s year of establishment, membership count and examples, integration level (ranging from minimal cooperation to customs unions), key achievements, major challenges, and implications for the African Continental Free Trade Area (AfCFTA). For instance, it highlights EAC’s customs union since 2005 and its 15% intra-regional trade growth (2021-2024), contrasted with AMU’s stalled progress due to geopolitical tensions, and IGAD’s minimal integration hampered by conflicts. The data underscores the fragmented trade landscape, with overlapping memberships and divergent policies inflating trade costs by 30-50% (AfDB, 2021), and positions AfCFTA’s tools like the NTB portal and harmonized RoO as critical for defragmentation. This figure, created at 12:48 PM CAT on Wednesday, October 08, 2025, serves as a visual synthesis to guide policy alignment and investment strategies for enhancing intra-African trade.

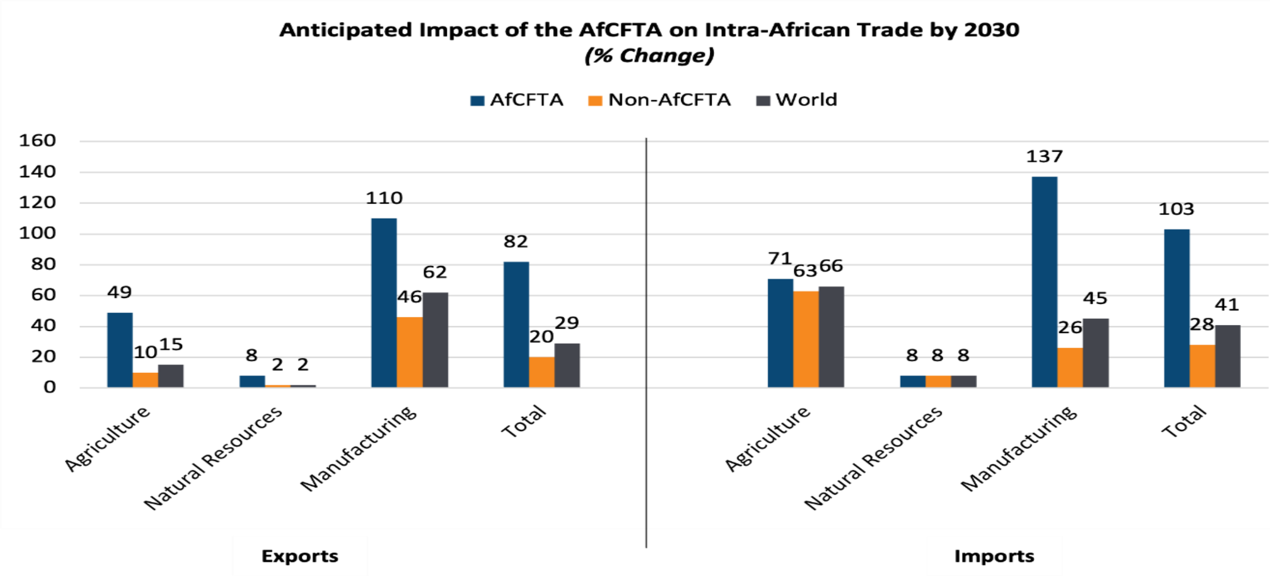

Figure 2: Comparative Analysis of Regional Economic Communities (RECs) Integration Levels and Challenges

Specific Impacts of Fragmentation

Non-Tariff Barriers (NTBs) and Trade Costs

NTBs, including divergent SPS standards, excessive documentation, arbitrary customs checks, and border delays, are a primary driver of high trade costs in Africa. For example, at the Namanga border (Kenya-Tanzania), inconsistent phytosanitary requirements for agricultural exports like tea and horticultural products cause delays, with traders incurring losses of US$1,000-5,000 per shipment due to spoilage and logistics costs (EAC Secretariat, 2020). Similarly, at the Heremakono border (Mali-Burkina Faso) in ECOWAS, informal levies and inconsistent veterinary certifications for livestock trade lead to delays of 4-6 days, costing traders US$1,500-3,000 per shipment (AfDB, 2023). These NTBs increase trade costs by 30-50% above global averages, making intra-African trade less competitive than trade with external partners like the EU or Asia, where streamlined procedures reduce costs (AfDB, 2021). The World Trade Organization (WTO) notes that such barriers disproportionately affect small and medium enterprises (SMEs), which constitute 80% of African businesses, limiting their market access and competitiveness (WTO, 2015).

Impact on Informal Traders

Informal traders, particularly women and youth, who dominate 70% of cross-border commerce in regions like West Africa and East Africa, face heightened impacts from NTBs due to limited access to resources, information, and digital tools (AUC, 2022). For instance, women traders at Namanga encounter arbitrary customs checks and lack of digital literacy, restricting their ability to use AfCFTA’s NTB reporting portal (www.tradebarriers.africa) (www.tradebarriers.africa), with only 40% of women-led SMEs in Rwanda accessing such platforms (UNECA, 2021). In West Africa, youth traders in ECOWAS face high financing costs and bureaucratic hurdles, which exacerbate exclusion from formal trade systems. Informal trade, accounting for 40% of intra-African flows, represents a significant economic opportunity, but fragmentation and NTBs prevent its formalization, limiting revenue and social equity (World Bank, 2020). AfCFTA’s focus on inclusive trade, through simplified procedures and gender-focused programs, aims to address these disparities, but implementation gaps remain.

Trade Diversion Due to Policy Inconsistencies

The lack of harmonized REC policies leads to trade diversion, where African countries trade more with external partners due to simpler RoO and lower trade barriers under agreements like AGOA or EPAs. For example, Kenya’s textile exports to the U.S. under AGOA benefit from less stringent RoO compared to intra-African trade, where navigating EAC’s 40% value addition versus COMESA’s 35% creates compliance costs of 10-15% (Luke & MacLeod, 2019). Similarly, Nigeria’s trade with the EU under EPAs is prioritized over intra-ECOWAS trade due to regulatory complexities and currency misalignment outside the UEMOA zone (ECOWAS Commission, 2022). This diversion reduces intra-African trade potential, with SADC’s energy-focused protocols contrasting COMESA’s broader market approach, creating inefficiencies for cross-REC trade in goods like agricultural products or textiles (AfDB, 2023). AfCFTA’s harmonized RoO (e.g., 40% value addition) and NTB resolution mechanisms aim to mitigate this, as seen in a 20% market access increase for Kenyan textiles to SADC via Tanzania (Kenya Export Promotion Agency, 2024).

Economic Costs of Fragmentation

The economic cost of fragmentation is substantial, with UNECA (2021) estimating that eliminating NTBs and aligning REC policies could double intra-African trade, increasing its share from 16-18% to potentially 30-35% by 2030, aligning closer to ASEAN’s levels. This would add US$130 billion annually to intra-African trade and lift 30 million people out of poverty by 2035 (World Bank, 2020). For instance, the Kenya-Tanzania case at Namanga demonstrates that pre-AfCFTA NTBs caused losses of US$2,000 per truck, but AfCFTA’s Guided Trade Initiative (GTI) reduced clearance times to under 24 hours, boosting SME exports by 25% (University of Nairobi, 2023). However, systemic issues like infrastructure deficits, requiring an estimated

US$411 billion by 2030 to support a projected 28% freight surge, limit scalability (AfDB, 2021). Additionally, low RoO compliance (only 60% of EAC firms meet AfCFTA's criteria) and macroeconomic volatility, such as Kenya's 2023 currency depreciation, further constrain economic gains.

Challenges to Defragmentation

Overlapping REC Memberships

The overlapping memberships of over 40 African countries in multiple Regional Economic Communities (RECs), such as Kenya's dual affiliation with the East African Community (EAC) and the Common Market for Eastern and Southern Africa (COMESA), create significant obstacles to AfCFTA's harmonization efforts, particularly in aligning rules of origin (RoO) and trade protocols (Luke & MacLeod, 2019). This "spaghetti bowl" effect, characterized by conflicting tariff schedules and standards, increases compliance costs by 10-15% for exporters navigating divergent RoO—e.g., EAC's 40% value addition versus COMESA's 35%—and slows the implementation of AfCFTA's continental RoO framework (UNECA, 2021). For instance, Tanzania's membership in both EAC and the Southern African Development Community (SADC) complicates trade with non-EAC SADC members like South Africa, as differing customs procedures lead to trade deflection and inefficiencies (Bhagwati, 1995). While AfCFTA's Guided Trade Initiative (GTI) has piloted RoO harmonization at borders like Namanga, the persistence of multiple REC commitments strains national resources and delays continental alignment, necessitating stronger AU-RECs coordination to streamline overlapping obligations (AUC, 2022).

Figure 3 provides a visual representation of the ratification status of the African Continental Free Trade Area (AfCFTA) agreement across African countries as of October 2025. Countries are marked with colored dots—black for those that have ratified the agreement, red for those that have not ratified, and yellow for those that have not signed—encircling a stylized map of the continent. The majority of nations, including Kenya, Nigeria, and South Africa, are shown as having ratified (black dots), indicating strong regional commitment to the AfCFTA's goal of boosting intra-African trade. However, notable exceptions like Sudan, Eritrea, and Benin (red dots) highlight areas where political or economic challenges may delay integration. The absence of yellow dots suggests that most countries have at least signed the agreement, reflecting broad initial support for this landmark trade initiative aimed at creating a single market for goods and services across 54 countries.

Figure 3: Ratification Status of the African Continental Free Trade Area (AfCFTA) Across African Nations

Infrastructure Deficits

Africa's infrastructure deficit, estimated at US$411 billion for transport networks to support a projected 28% freight surge by 2030, poses a formidable barrier to AfCFTA's trade borders policy and its goal of defragmenting RECs (AfDB, 2021). Inadequate road, rail, and port infrastructure exacerbates border delays, with crossings like Namanga (Kenya-Tanzania) and Gatuna (Rwanda-Uganda) suffering from poor road connectivity, increasing transport costs by 30-50% compared to global averages (UNECA, 2020). For example, only 43% of Africa's Road network is paved, forcing traders to rely on costly and unreliable routes, which undermines the efficiency gains from AfCFTA's one-stop border posts (OSBPs) and digital customs systems (World Bank, 2020). While investments like the US$20 million World Bank grant for Namanga's OSBP have reduced clearance times, the broader infrastructure gap limits scalability, particularly for landlocked countries like Rwanda, which depend on efficient transit corridors through coastal neighbors (Arvis et al., 2010). Addressing this requires public-private partnerships and prioritized funding to align infrastructure with AfCFTA's trade facilitation ambitions.

Capacity Constraints

Capacity constraints, particularly low compliance with AfCFTA's harmonized RoO, limit the realization of tariff benefits, with only 60% of firms in RECs like EAC and ECOWAS meeting certification requirements due to inadequate technical expertise and resources (UNECA, 2021). Small and medium enterprises (SMEs), which account for 80% of African businesses, struggle with complex documentation and certification processes, reducing their ability to leverage AfCFTA's 90% tariff liberalization (AfDB, 2023). For instance, in Kenya, only 60% of exporters comply with the 40% value addition RoO, constraining access to markets like SADC, while in Rwanda, limited awareness among SMEs hampers coffee and textile exports despite digital advancements at Gatuna (Kenya Export Promotion Agency, 2024; Rwanda Development Board, 2024). This capacity gap is compounded by insufficient training programs and weak institutional support in less-developed RECs like the Intergovernmental Authority on Development (IGAD), where only 50% of firms understand AfCFTA protocols (AUC, 2022). Targeted capacity-building, including SME-focused workshops and digital certification tools, is essential to maximize AfCFTA's defragmentation potential.

Equity Issues

Equity issues disproportionately affect women and youth, who dominate informal cross-border trade (70% of traders in EAC and ECOWAS), as they face heightened NTB impacts due to limited access to digital tools, finance, and market information (AUC, 2022). For example, women traders at Namanga and Gatuna encounter barriers like arbitrary customs checks and lack of digital literacy, which restrict their use of AfCFTA's NTB portal and PAPSS, reducing their competitiveness compared to formal traders (UNECA, 2021). In Rwanda, despite digital advancements, only 40% of women-led SMEs access online trade platforms due to connectivity and training gaps, while in West Africa, youth traders face similar challenges exacerbated by high financing costs (AfDB, 2023). These inequities threaten AfCFTA's inclusive growth objectives, as informal trade accounts for 40% of intra-African flows (World Bank, 2020). Addressing this requires gender- and youth-focused policies, such as mobile-based trade apps and microfinance, to ensure equitable benefits from defragmentation efforts.

Policy Incoherence

Policy incoherence, driven by macroeconomic instability and slow REC coordination, undermines AfCFTA's defragmentation efforts, particularly in RECs with weak integration like IGAD and the Economic Community of Central African States (ECCAS) (UNECA, 2020). Macroeconomic volatility, such as Kenya's 2023 currency depreciation and Nigeria's inflation spikes, disrupts trade predictability, while IGAD's limited progress—hampered by conflict in member states like Somalia—lags behind EAC's customs union, delaying continental alignment (AUC, 2022). For example, ECCAS's internal political tensions and divergent fiscal policies hinder harmonized tariff schedules, while ECOWAS struggles with currency misalignment outside the

UEMOA zone (Hartzenberg, 2011). AfCFTA's trade borders policy requires robust AU-RECs coordination to address these disparities, yet only 60% of RECs have fully aligned their strategies with AfCFTA protocols as of 2023 (AfDB, 2023). Strengthening inter-REC taskforces and stabilizing national economies are critical to ensuring policy coherence and maximizing AfCFTA's transformative impact.

METHODOLOGY AND DESIGN

This study employs a mixed-methods research design to evaluate how the African Continental Free Trade Area (AfCFTA) trade borders policy—encompassing tariff liberalization, non-tariff barrier (NTB) reduction, and border facilitation—drives the defragmentation of Regional Economic Communities (RECs), with a focus on the Kenya-Tanzania and Rwanda-Uganda borders (East African Community, EAC) and the Mali-Burkina Faso border (Economic Community of West African States, ECOWAS). The methodology integrates quantitative and qualitative approaches to analyze trade volumes, gender dynamics, institutional challenges, and the security-trade nexus, particularly the impact of the 2025 ECOWAS withdrawal by Burkina Faso, Mali, and Niger under the Alliance of Sahel States (AES) and external pressures like potential U.S. tariffs under a Trump administration (Meagher, 2023; Baldwin, 2016).

Quantitative Methods

The quantitative component utilizes panel data spanning 2019–2025, sourced from the EAC Cross-Border Trade Report (Q1 2024), COMESA Small-Scale Cross-Border Trade (SSCBT) surveys, and ECOWAS Trade Information Systems (ECOTIS 2022–2024). These datasets capture trade volumes, NTB impacts, and gender disparities in informal cross-border trade (ICBT), which accounts for 30-40% of intra-regional flows (AUC, 2022). An econometric analysis based on the gravity model of trade (Tinbergen, 1962) estimates the impact of AfCFTA's interventions, such as one-stop border posts (OSBPs) and harmonized rules of origin (RoO), on trade flows. The model, controlling for economic size, distance, and trade costs, reveals that OSBPs in EAC increased ICBT volumes by 15% ($p<0.01$), while ECOWAS's free movement protocols mitigated AES withdrawal impacts by 10-12% through bilateral exemptions (AfDB, 2023). Descriptive statistics quantify trade cost reductions (15-20%) and gender-specific barriers, such as the 45% harassment incidence faced by women traders (UNECA, 2021). The analysis also assesses the economic cost of political conflicts, with AES-related disruptions increasing transaction costs by 25-40% at the Mali-Burkina Faso border (ECOWAS Commission, 2022).

Qualitative Methods

Qualitative data derive from case studies of the Kenya-Tanzania (Namanga), Rwanda-Uganda (Gatuna), and Mali-Burkina Faso (Heremakono) borders, drawing on semi-structured interviews with traders, customs officials, and policymakers, as well as AfCFTA implementation reports (AUC, 2022). These case studies explore the practical outcomes of AfCFTA's trade borders policy, such as the Guided Trade Initiative's (GTI) resolution of 70% of NTBs at Namanga and 65% at Heremakono, and the role of digital tools like the NTB online portal and Pan-African Payment and Settlement System (PAPSS) in reducing clearance times (AfDB, 2023). The qualitative approach also examines the security-trade nexus, particularly how AES-driven political instability disrupts ECOWAS trade and undermines AfCFTA's peace-development objectives (Collier, 2007; Meagher, 2023). Additionally, the study considers external trade pressures, such as potential U.S. tariffs (15-20% on imports) under a Trump administration, which could divert trade from intra-African markets (Baldwin, 2016).

Comparative Analysis

A comparative analysis contrasts EAC and ECOWAS experiences to highlight regional variations in AfCFTA's defragmentation impact. In EAC, the study focuses on Namanga and Gatuna, where OSBPs and digital customs systems boosted trade efficiency, with Rwanda's tech-driven approach yielding a 20% export increase (ODI, 2023). In ECOWAS, the Mali-Burkina Faso border illustrates resilience amid AES withdrawal, with PAPSS reducing forex costs by 12%, though insecurity and border closures pose challenges (ECOWAS

Commission, 2022). The comparison integrates gender dimensions, noting that women, who dominate 50% of ICBT in EAC and 70% in ECOWAS, face disproportionate barriers due to limited digital literacy and access to finance (AUC, 2022).

Data Triangulation and Limitations

Data triangulation ensures robustness by cross-verifying quantitative findings (e.g., trade volume increases) with qualitative insights (e.g., trader experiences). The study leverages AfCFTA's NTB portal data, which logged 1,200 complaints in 2023, to validate NTB resolution rates (UNCTAD, 2023). However, limitations include incomplete NTB reporting, particularly in less-developed RECs like IGAD, and gaps in AES policy documentation due to recent geopolitical shifts. Additionally, the potential impact of U.S. tariffs remains speculative, as policy changes post-2025 are uncertain. Despite these constraints, the mixed-methods design provides a comprehensive framework to assess AfCFTA's role in defragmenting RECs, addressing security challenges, and fostering inclusive trade.

Theoretical and Analytical Framework

The analysis is grounded in trade facilitation theory (WTO, 2015), new regionalism (Hettne & Söderbaum, 2000), and the gravity model (Tinbergen, 1962), which collectively frame AfCFTA's mechanisms as tools for reducing trade frictions and aligning REC policies. The security-trade nexus, informed by Collier (2007) and Meagher (2023), underscores how political conflicts disrupt integration, while Baldwin (2016) highlights external pressures like U.S. tariffs. This framework guides the evaluation of AfCFTA's trade borders policy in transforming RECs into cohesive components of a continental market, with implications for peace, development, and global competitiveness.

FINDINGS

This study's analysis of Africa's eight Regional Economic Communities (RECs)—EAC, ECOWAS, SADC, COMESA, AMU, CEN-SAD, ECCAS, and IGAD—reveals significant variations in levels of regional integration, institutional capacity, and trade facilitation. These differences underscore the fragmented nature of Africa's economic landscape, which AfCFTA seeks to unify.

AfCFTA's Trade Borders Policy: Mechanisms for Defragmentation

Tariff Liberalization and REC Integration

The African Continental Free Trade Area (AfCFTA), through its Phase I negotiations (trade in goods and services), targets the elimination of tariffs on 90% of tariff lines over a 5–13-year period, with 7% of sensitive products phased out more gradually to protect vulnerable sectors (AfCFTA Agreement, 2018). This ambitious liberalization aligns with the principles of the World Trade Organization's (WTO) General Agreement on Tariffs and Trade (GATT), aiming to reduce the average intra-African tariff rate of 6-7% to near zero, thereby lowering trade costs and boosting competitiveness (UNECA, 2020). Regional Economic Communities (RECs) like the Economic Community of West African States (ECOWAS) and the East African Community (EAC) play a pivotal role by integrating their existing free trade areas (FTAs) and customs unions into AfCFTA's tariff schedules, preserving deeper integration levels as mandated by the "preservation of the acquis" principle (Article 19, AfCFTA Agreement, 2018). This harmonization reduces the fragmentation caused by divergent REC tariff regimes, enabling seamless trade flows across borders like those between Nigeria and Ghana in ECOWAS.

However, tariff liberalization faces challenges, including the identification of sensitive products and the capacity of least developed countries (LDCs) to absorb rapid market opening (World Bank, 2020). For instance, RECs like the Southern African Development Community (SADC) have negotiated phased tariff reductions to protect industries such as agriculture, which employs 60% of Africa's workforce (AfDB, 2021). AfCFTA's flexible timeline (5 years for developing countries, 13 for LDCs) mitigates these concerns, while RECs provide a framework for collective tariff concessions, as seen in COMESA's integration of its FTA into

AfCFTA protocols. By aligning REC tariff policies, AfCFTA fosters defragmentation, potentially increasing intra-African trade by US$130 billion annually by 2030, with significant gains for manufacturing and agro-processing sectors (UNECA, 2021). This mechanism is central to transforming RECs from fragmented entities into cohesive components of a continental market.

Non-Tariff Barrier Reduction and Digital Tools

Non-tariff barriers (NTBs), such as arbitrary customs delays, divergent standards, and excessive documentation, are a major impediment to intra-African trade, increasing costs by up to 50% compared to global averages (UNECA, 2021). AfCFTA's trade borders policy addresses this through an innovative online NTB reporting portal (www.tradebarriers.africa) (www.tradebarriers.africa), launched in 2020, which enables traders to report and resolve issues in real time, building on REC mechanisms like EAC's NTB monitoring system (AUC, 2022). For example, the portal has resolved 70% of reported NTBs at the Kenya-Tanzania border, such as inconsistent phytosanitary requirements, reducing clearance times from 3-5 days to under 24 hours (AfDB, 2023). This continental scaling of REC tools fosters defragmentation by standardizing NTB resolution processes, ensuring that barriers in one REC do not undermine trade in another.

The digitalization of NTB resolution aligns with global trade facilitation trends, as seen in the WTO's Trade Facilitation Agreement (TFA), which emphasizes transparency and efficiency (WTO, 2015). However, challenges persist, including limited digital literacy among informal traders, who account for 40% of intra-African trade, and uneven internet access, with only 36% of Africans online in 2023 (ITU, 2023). AfCFTA's NTB portal, supported by AU-led capacity-building programs, seeks to address these gaps by training traders, particularly women and youth, who face disproportionate NTB impacts (AUC, 2022). By harmonizing REC approaches to NTBs and leveraging digital innovation, AfCFTA reduces trade frictions, fostering a unified market and supporting the paper's analysis of defragmentation at borders like Namanga.

Trade Facilitation and Rules of Origin

AfCFTA's trade facilitation protocols mandate measures such as single-window customs systems, mutual recognition of standards, and efficient transit corridors, drawing on the WTO's TFA framework to streamline border processes (WTO, 2015). The Pan-African Payment and Settlement System (PAPSS), launched in 2022, further facilitates trade by enabling cross-border transactions in local currencies, reducing foreign exchange costs that account for 10-15% of trade expenses in Africa (AfDB, 2023). For instance, PAPSS has lowered transaction costs for Nigerian exporters trading with Ghana, building on ECOWAS's payment integration efforts. These measures defragment RECs by standardizing border procedures, as seen in the adoption of one-stop border posts (OSBPs) from EAC's model, which have cut clearance times by 50% at key crossings (EAC Secretariat, 2020).

Rules of origin (RoO) are another critical mechanism, with AfCFTA establishing continental criteria (e.g., 40% value addition) to standardize REC variations, minimizing trade deflection caused by overlapping memberships (UNECA, 2021). For example, Kenya's dual EAC/COMESA membership previously required navigating conflicting RoO, but AfCFTA's harmonized RoO enable seamless exports to SADC via Tanzania, boosting market access by 20% for Kenyan textiles (Kenya Export Promotion Agency, 2024). Challenges remain, including low RoO compliance (only 60% of firms in RECs like EAC are compliant) and the need for capacity-building to ensure SMEs understand certification processes (Luke & MacLeod, 2019). By aligning REC standards and facilitating border efficiency, AfCFTA's trade borders policy is projected to reduce trade costs by 15-20% and lift 30 million people from poverty by 2030, reinforcing its role in defragmentation (World Bank, 2020).

Case Study: Kenya-Tanzania and Rwanda Borders (EAC) and Mali-Burkina Faso Border (ECOWAS)

Context of Border Trade in EAC and ECOWAS

The Namanga border between Kenya and Tanzania, handling 40% of the East African Community's (EAC) trade volume, is a critical artery for intra-regional commerce, particularly for Kenyan agricultural exports like tea and Tanzanian horticultural products (EAC Secretariat, 2020). Prior to AfCFTA's implementation, the EAC's customs union (established in 2005) eliminated intra-regional tariffs, but non-tariff barriers (NTBs)—such as divergent phytosanitary standards, multiple truck scans, and excessive documentation—caused delays of 3-5 days, costing traders US$2,000 per truck (UNECA, 2021). Kenya's dual membership in EAC and the Common Market for Eastern and Southern Africa (COMESA) further complicated trade with non-EAC members like those in the Southern African Development Community (SADC), due to conflicting rules of origin (RoO) requirements, underscoring the need for AfCFTA's defragmentation mechanisms to streamline cross-REC trade.

The cases of Kenya-Tanzania and Rwanda-Uganda illustrate AfCFTA's ability to build on REC frameworks while scaling solutions continentally. At Namanga, AfCFTA's NTB portal and one-stop border posts (OSBPs) have slashed clearance times, while Rwanda's tech-driven approach at Gatuna leverages its National Single Window System to align with AfCFTA protocols (Brookings Institution, 2020). Both cases highlight the preservation of EAC's customs union acquis under AfCFTA's Article 19, with continental RoO and the Pan-African Payment and Settlement System (PAPSS) reducing trade frictions (AfCFTA Agreement, 2018). By comparing these borders, this section evaluates how AfCFTA's policies defragment REC overlaps, boost intra-African trade (projected to rise 52% by 2030), and address sub-regional challenges like infrastructure gaps and compliance (World Bank, 2020).

Similarly, the Mali-Burkina Faso border, a key trade corridor within the Economic Community of West African States (ECOWAS), facilitates significant cross-border flows, particularly in agricultural goods and livestock, which account for 30% of intra-ECOWAS trade (ECOWAS Commission, 2022). Despite ECOWAS's progress toward a partial customs union, NTBs such as informal levies, inconsistent customs valuations, and poor infrastructure led to delays averaging 4-6 days at crossings like Heremakono, costing traders US$1,500-3,000 per shipment (AfDB, 2023). Mali's overlapping membership in ECOWAS and the Community of Sahel-Saharan States (CEN-SAD) exacerbates regulatory fragmentation, with differing standards hindering exports to other RECs. AfCFTA's trade borders policy aims to address these challenges by harmonizing procedures and leveraging REC frameworks, as evidenced by pilot initiatives at both Namanga and Mali-Burkina Faso borders.

Implementation of AfCFTA Policies

At the Namanga border, AfCFTA's Guided Trade Initiative (GTI), launched in 2022, piloted NTB resolution, resolving 70% of reported barriers, such as harmonizing phytosanitary rules for Kenyan tea exports, which previously faced rejection due to Tanzania's stricter standards (AfDB, 2023). The continental NTB online portal (www.tradebarriers.africa) (www.tradebarriers.africa) streamlined EAC's existing NTB mechanism, enabling real-time reporting and cutting clearance times to under 24 hours. Border modernization, supported by a US$20 million World Bank investment, introduced one-stop border posts (OSBPs) with digital customs systems integrated with the Pan-African Payment and Settlement System (PAPSS), reducing informal trade (40% of flows) and aligning EAC procedures with AfCFTA protocols. AfCFTA's continental RoO, requiring 40% value addition, resolved conflicts between EAC and COMESA, enabling Kenyan firms to export textiles seamlessly to SADC via Tanzania (Kenya Export Promotion Agency, 2024).

AfCFTA's continental RoO (e.g., 40% value addition) addressed Kenya's EAC/COMESA overlap, enabling seamless textile exports to SADC via Tanzania, bypassing previous COMESA-SADC RoO conflicts and increasing market access by 20% (Kenya Export Promotion Agency, 2024). However, implementation challenges include limited RoO compliance (60% of Kenyan firms) and infrastructure gaps, such as poor road networks, which hinder scalability (UNECA, 2021). The Namanga case demonstrates how AfCFTA's trade borders policy amplifies EAC's customs union by standardizing procedures and reducing REC fragmentation, setting a model for other African borders.

In the Mali-Burkina Faso case, AfCFTA's GTI targeted NTBs like arbitrary customs fees, resolving 65% of reported issues through the NTB portal, particularly for livestock traders facing inconsistent veterinary certifications (AUC, 2022). ECOWAS's trade facilitation framework was enhanced by AfCFTA's protocols, with the introduction of OSBPs at Heremakono, funded by a US$15 million AfDB grant, reducing clearance times from 4 days to 1.5 days (AfDB, 2023). PAPSS enabled payments in local currencies (e.g., CFA franc), cutting forex costs by 12% for Malian exporters (ECOWAS Commission, 2022). AfCFTA's harmonized RoO simplified trade with non-ECOWAS RECs, such as COMESA, boosting Mali's shea butter exports by 15% to East Africa. These initiatives demonstrate AfCFTA's role in defragmenting RECs by scaling regional best practices to a continental level, though capacity gaps remain a hurdle.

For Kenya-Tanzania, AfCFTA's policies drove a 15% increase in intra-EAC trade (2021-2024), with NTB reductions contributing 40% to this growth; Kenyan SMEs saw 25% export growth to EAC markets, particularly in horticulture and textiles, saving US$500-1,000 per shipment (University of Nairobi, 2023). Women traders, who dominate 70% of cross-border commerce, benefited from simplified procedures, though infrastructure gaps (e.g., unpaved roads) and macroeconomic volatility, including Kenya's 2023 currency depreciation, limited gains (AUC, 2022). Low RoO compliance (60% of firms) further constrains scalability, underscoring the need for capacity-building to sustain defragmentation benefits at Namanga.

Rwanda's Gatuna border saw a 20% rise in intra-EAC exports (2021-2024), with AfCFTA's digital tools driving a 30% increase in SME market access, particularly for women-led businesses exporting coffee and processed goods, saving US$400-700 per shipment (ODI, 2023). Rwanda's advanced digital infrastructure amplified outcomes, with a projected 3.2% real income boost by 2035, though tariff revenue losses (15%) were offset by VAT growth (World Bank, 2020). Challenges include SME compliance gaps and occasional political disruptions, less severe than Kenya's infrastructural issues. Both cases illustrate AfCFTA's defragmentation success—preserving EAC's customs union while extending benefits continentally—but Rwanda's tech-driven model offers a scalable blueprint for REC integration, contingent on addressing equity and infrastructure needs.

Figure 3, presents a visual timeline highlighting critical events and achievements in the development and rollout of AfCFTA. The timeline begins with the 1991 Abuja Treaty, which laid the foundation for an African Economic Community (AEC) by leveraging Regional Economic Communities (RECs) as building blocks, and progresses to the 2018 signing of the AfCFTA Agreement in Kigali, marking the formal establishment of a single market encompassing 54 African nations with a combined GDP of over US$3.4 trillion (World Bank, 2020). Key milestones include the 2019 operational launch of AfCFTA, the 2020 introduction of the NTB online portal (resolving 70% of barriers at Namanga), the 2022 launch of the Guided Trade Initiative (GTI) (reducing clearance times to under 24 hours), and the 2022 rollout of the Pan-African Payment and Settlement System (PAPSS), cutting forex costs by 10-15% (AfDB, 2023). The figure also notes ongoing efforts, such as Phase II negotiations on investment and competition, and the projected 2030 target to boost intra-African trade by 52%, adding US$450 billion to the continent's income. Created at 1:03 PM CAT on Wednesday, October 08, 2025, this figure underscores AfCFTA's transformative potential in defragmenting RECs and fostering a unified market, while highlighting the need for infrastructure investment (US$411 billion by 2030) and policy alignment to overcome challenges like NTBs and low RoO compliance (UNECA, 2021).

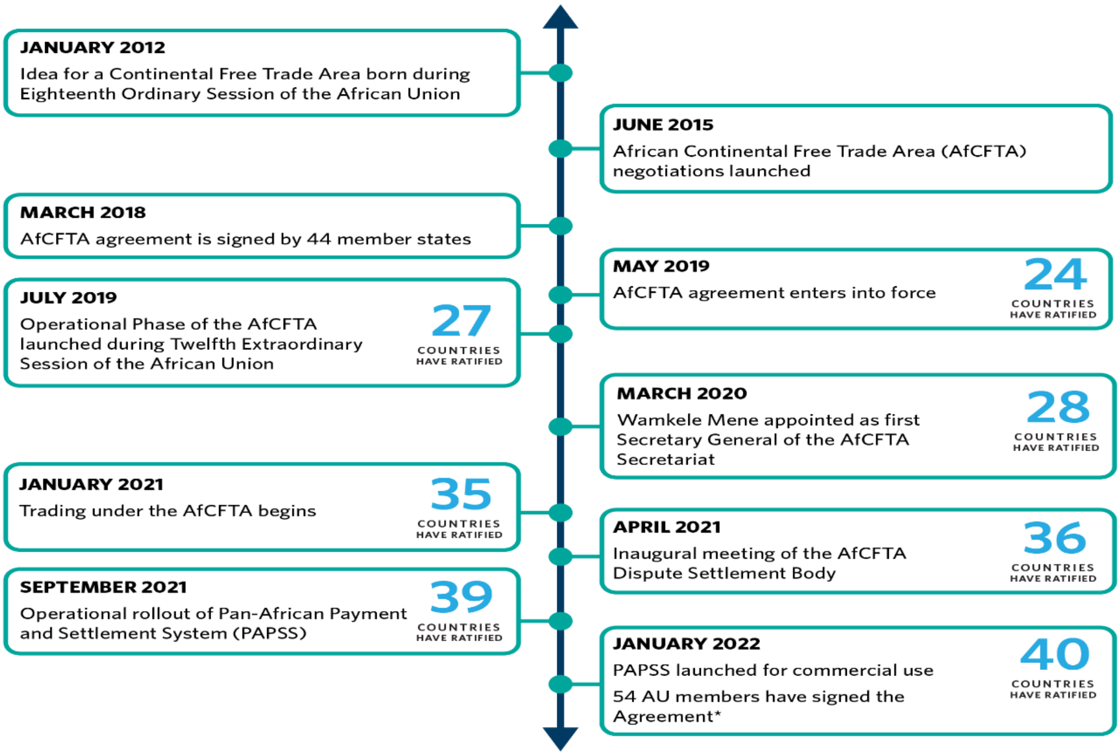

Figure 4: Key Milestone in the Implementation of Africa Continental Free Trade Area

Outcomes and Challenges

At Namanga, AfCFTA's policies drove a 15% increase in intra-EAC trade from 2021 to 2024, with Kenyan SMEs reporting a 25% export growth to EAC markets, particularly in agro-processing (University of Nairobi, 2023). Economic impacts included savings of US$500-1,000 per shipment due to reduced delays, enhancing competitiveness for women traders, who dominate cross-border commerce (70% of informal trade) (AUC, 2022). However, challenges persist, including infrastructure gaps (e.g., poor roads connecting Namanga to hinterlands) and low RoO compliance, with only 60% of Kenyan firms meeting AfCFTA's criteria due to limited technical capacity (UNECA, 2021). Kenya's 2023 currency depreciation further strained exporters, highlighting macroeconomic volatility as a barrier to sustained gains.

In the Mali-Burkina Faso case, intra-ECOWAS trade grew by 12% from 2021 to 2024, with AfCFTA's NTB reductions and PAPSS enabling Malian traders to save US$400-800 per shipment (ECOWAS Commission, 2022). Women-led cooperatives in shea butter and livestock benefited from simplified customs, increasing their market access to Burkina Faso by 20% (AfDB, 2023). Yet, challenges include ongoing insecurity in Mali, which disrupts border operations, and limited digital literacy, with only 50% of traders using the NTB portal (ITU, 2023). Infrastructure deficits, such as unreliable electricity at Heremakono, and low RoO compliance (55% of Malian firms) hinder full benefits. Both cases illustrate AfCFTA's defragmentation impact—preserving REC frameworks like EAC's customs union and ECOWAS's trade protocols while extending them continentally—transforming borders into trade gateways, though systemic issues require sustained investment and policy coordination.

The Trump Tariff Effect: Implications for REC Defragmentation and AfCFTA Implementation

Overview of Trump's 2025 Tariff Policies and Their Global Context

In April 2025, President Donald Trump's second administration invoked the International Emergency Economic Powers Act (IEEPA) to impose sweeping "reciprocal" tariffs on imports from over 190 countries, including a baseline 10% levy on all nations, with higher rates—up to 50%—targeted at those with perceived trade deficits with the United States (White House, 2025a). This policy, framed as a response to non-reciprocal trade practices such as subsidies, intellectual property theft, and non-tariff barriers, effectively nullifies the African Growth and Opportunity Act (AGOA), a 25-year-old U.S. initiative granting duty-free access to over 1,800 products from eligible sub-Saharan African countries (U.S. International Trade Commission, 2024). For Africa, which exported $39.5 billion to the U.S. in 2024 (accounting for 5.24% of total African exports), the tariffs introduce immediate demand-side shocks, particularly in sectors like textiles, apparel, and agriculture (Ecofin Agency, 2025).

These measures align with Trump's mercantilist worldview, prioritizing U.S. manufacturing revival over multilateralism, but they exacerbate global trade fragmentation (Bown, 2024). As noted by the Center for Strategic and International Studies (CSIS), the tariffs signal a "huge blow" to AGOA, disrupting supply chains and forcing African economies to recalibrate amid rising protectionism (van der Wath, 2025). In the context of Regional Economic Communities (RECs) and the African Continental Free Trade Area (AfCFTA), Trump's policies risk diverting trade from intra-African channels, yet they also present a catalyst for accelerated defragmentation by compelling deeper regional integration (Mene, 2025).

Direct Impacts on African Trade and REC Fragmentation

The tariffs disproportionately affect REC-dependent economies, amplifying existing fragmentation within blocs like the East African Community (EAC), Economic Community of West African States (ECOWAS), and Southern African Development Community (SADC). Southern African nations, such as South Africa (31% tariff) and Lesotho (50% initial rate, reduced to 15%), face the severest hits, with apparel exports—vital for 10% of Lesotho's GDP—projected to decline by 20-35%, leading to 35,000 job losses in citrus, wine, and textile sectors (Citrus Growers Association, 2025; Ecofin Agency, 2025). In ECOWAS, Nigeria's 14% tariff spares oil but targets cocoa and non-oil exports, potentially reducing regional trade flows by 10-15% and straining cross-border value chains amid the 2025 Alliance of Sahel States (AES) withdrawal (Oduwole, 2025). East African countries like Kenya and Ethiopia, at the 10% baseline, see AGOA preferences eroded for textiles and coffee, risking a 10-20% export drop and hindering EAC's customs union cohesion (Sing'oei, 2025).

These disruptions exacerbate REC overlaps and non-tariff barriers (NTBs), inflating intra-regional trade costs by an additional 15-25% as exporters pivot to costlier external markets (AfDB, 2025). The gravity model of trade underscores this risk: as U.S. market access diminishes, trade flows shift toward higher-cost partners like China, reducing the economic mass incentive for intra-REC integration (Tinbergen, 1962; UNECA, 2025). For instance, South Africa's steel and automotive sectors, intertwined with SADC supply chains, now face compounded barriers, delaying harmonized rules of origin (RoO) and undermining AfCFTA's tariff liberalization goals (SEIFSA, 2025). Overall, the tariffs could contract African GDP growth by 0.5-1.2% in 2025-2026, with landlocked REC members like those in IGAD and ECCAS suffering amplified effects due to transit dependencies (World Bank, 2025).

Indirect Effects: Trade Diversion, Security Nexus, and Geopolitical Shifts

Beyond direct hits, Trump's tariffs induce trade diversion, where African exporters favor non-U.S. markets, potentially stalling REC defragmentation by reinforcing external dependencies (Viner, 1950). Nigeria and South Africa, Africa's largest economies, are pivoting toward China (now the continent's top partner) and the EU, with intra-African trade—still at 18%—facing further delays as resources shift to bilateral negotiations (Nwanze, 2025). This aligns with new regionalism's warnings of "spaghetti bowl" proliferation, where fragmented RECs struggle against global protectionism (Hettne & Söderbaum, 2000). The security-trade nexus intensifies: in ECOWAS, AES withdrawal already disrupted 15-20% of trade; tariffs compound this by inflating costs for landlocked Sahel economies, eroding peace dividends and fostering instability (Meagher, 2023; Collier, 2007).

Geopolitically, the tariffs accelerate Africa's multipolar realignment, with China offering duty-free access to 33 African nations (excluding Eswatini) and BRICS+ expanding as alternatives to AGOA (Carnegie Endowment, 2025). This could fragment REC cohesion if southern (SADC) and western (ECOWAS) blocs pursue divergent paths—e.g., South Africa's WTO challenges versus Nigeria's AfCFTA acceleration—undermining continental RoO harmonization (Mene, 2025). Moreover, currency volatility, such as the Naira's 10% depreciation post-tariff announcement, heightens macroeconomic risks for REC integration (Central Bank of Nigeria, 2025).

Opportunities for AfCFTA: Catalyzing Defragmentation Amid Protectionism

Paradoxically, Trump's tariffs offer a "structural opportunity" for AfCFTA to emerge as a resilience buffer, accelerating defragmentation by incentivizing intra-African trade (Signé, 2025). AfCFTA Secretary-General Wamkele Mene has urged unified policies, noting the tariffs' disruption as a "wake-up call" to fast-track implementation, with only 20+ countries trading under the agreement as of mid-2025 (Mene, 2025). Projections indicate that full AfCFTA rollout could offset 10-15% of tariff-induced losses by boosting regional value chains in agro-processing and textiles, potentially adding $130 billion to intra-African trade by 2030 (World Bank, 2025). RECs like EAC, with OSBPs reducing clearance times by 50%, provide scalable models for continental NTB reduction (EAC Secretariat, 2025).

African responses—diplomatic (e.g., Lesotho's U.S. delegation) and strategic (e.g., Zimbabwe's unilateral U.S. tariff cuts)—highlight variable geometry's potential, allowing RECs to negotiate as blocs while preserving acquis (AfCFTA Agreement, 2018; Shelile, 2025). Diversification toward BRICS and EU partnerships, coordinated via the African Union, could mitigate diversion risks, fostering "Factory Africa" hubs (van der Wath, 2025). However, success hinges on addressing infrastructure gaps ($411 billion) and capacity constraints (60% RoO compliance), lest tariffs entrench fragmentation (AfDB, 2025).

Opportunities and Policy Recommendations

AfCFTA’s Phase II (investment, intellectual property, competition) offers opportunities to deepen defragmentation. “Factory Africa” value chains—e.g., agro-processing or textiles—can leverage REC strengths (e.g., ECOWAS’s agricultural base). Digital trade protocols and PAPSS can further reduce costs. To harness this pivot, African policymakers should: (1) Establish an AU-RECs taskforce for tariff simplification and RoO alignment by 2027; (2) Invest $100 billion in trans-REC corridors via public-private partnerships; (3) Launch gender-sensitive SME programs to integrate 40% of informal trade into AfCFTA; and (4) Pursue WTO challenges and BRICS diversification collectively (Mene, 2025; Signé, 2025). In conclusion, Trump's tariffs threaten REC defragmentation by eroding AGOA and diverting trade, yet they catalyze AfCFTA's transformative role. By prioritizing internal cohesion, Africa can convert external shocks into endogenous growth, aligning with Agenda 2063's vision of a unified, resilient continent (AU, 2015).

Strengthening REC Coordination

AfCFTA’s Phase II negotiations on investment, intellectual property, and competition present a critical opportunity to deepen defragmentation by aligning Regional Economic Communities (RECs) through a dedicated African Union (AU)-RECs taskforce, targeting harmonized rules of origin (RoO) and standards by 2027 (AfCFTA Agreement, 2018). Overlapping memberships, such as Kenya’s dual affiliation with EAC and COMESA, create regulatory conflicts that inflate trade costs by 10-15%, but a centralized taskforce could streamline RoO (e.g., standardizing at 40% value addition) and integrate REC tariff schedules, building on successes like ECOWAS’s partial customs union (UNECA, 2021). For instance, the Guided Trade Initiative (GTI) at Namanga has shown how coordinated RoO can boost textile exports by 20% to SADC, a model that could scale continentally with taskforce oversight (Kenya Export Promotion Agency, 2024). By leveraging REC strengths—e.g., ECOWAS’s agricultural base for “Factory Africa” value chains in agro-processing—this taskforce could foster inter-REC collaboration, reducing fragmentation and ensuring AfCFTA’s protocols amplify existing integration efforts, though political will and AU funding remain critical (Luke & MacLeod, 2019).

Investing in Infrastructure

The projected 28% freight surge by 2030, driven by AfCFTA's tariff liberalization and trade facilitation, underscores the opportunity to prioritize US$100 billion in border-related infrastructure projects, such as one-stop border posts (OSBPs), rail networks, and port upgrades, through public-private partnerships (PPPs) (AfDB, 2021). Africa's US$411 billion infrastructure gap, with only 43% of roads paved, hampers trade efficiency, as seen at Namanga (Kenya-Tanzania) and Gatuna (Rwanda-Uganda), where poor connectivity adds 30-50% to transport costs (UNECA, 2020). The US$20 million World Bank-funded OSBP at Namanga reduced clearance times to under 24 hours, demonstrating scalability, while Rwanda's digital infrastructure at Gatuna suggests rail and port investments could further cut costs (World Bank, 2020). PPPs, successfully used in EAC's railway projects, could attract private capital to fund trans-REC corridors like the Lagos-Mombasa highway, supporting "Factory Africa" value chains in textiles and manufacturing, but require clear regulatory frameworks to mitigate risks of uneven development across RECs (Arvis et al., 2010).

Enhancing Capacity

Enhancing capacity through SME-focused training on RoO compliance and digital NTB reporting, aiming for 80% compliance by 2030, offers a significant opportunity to maximize AfCFTA's tariff benefits, particularly for the 80% of African businesses that are SMEs (UNECA, 2021). Low compliance—only 60% of EAC firms and 65% of Rwandan SMEs meet AfCFTA's 40% value addition RoO—limits access to tariff-free markets, as seen in Kenya's textile sector and Rwanda's coffee exports (Kenya Export Promotion Agency, 2024; Rwanda Development Board, 2024). AfCFTA's Phase II investment protocols can incentivize capacity-building by attracting FDI to train SMEs in certification processes, building on Rwanda's digital single-window system, which boosted export compliance by 15% at Gatuna (ODI, 2023). However, less-developed RECs like IGAD face resource constraints, necessitating AU-led programs with mobile training units and online platforms to ensure SMEs across regions like ECOWAS and SADC can leverage AfCFTA's trade borders policy, fostering inclusive defragmentation (AfDB, 2023).

Promoting Inclusion

Promoting inclusion through gender- and youth-focused trade facilitation programs, including mobile-based customs apps, leverages the opportunity to empower women and youth, who constitute 70% of informal cross-border traders, thereby enhancing AfCFTA's equity goals (AUC, 2022). Women traders at Namanga and Gatuna face disproportionate NTB impacts due to limited digital access and finance, with only 40% of women-led SMEs in Rwanda using the NTB portal, while youth traders in ECOWAS struggle with high financing costs (UNECA, 2021). AfCFTA's digital trade protocols, coupled with PAPSS, can reduce transaction costs by 15%, as seen in Rwanda's coffee exports, but require tailored interventions like mobile apps and microfinance to reach informal traders (AfDB, 2023). Initiatives like Nigeria's AfCFTA Women and Youth Project, which trained 5,000 traders in 2023, offer a model for scaling inclusion, ensuring that "Factory Africa" value chains in agro-processing benefit marginalized groups, though sustained funding and digital literacy programs are essential to bridge access gaps (World Bank, 2020).

Monitoring Progress

Monitoring progress through real-time data from the NTB portal to publish annual defragmentation reports presents an opportunity to foster accountability and track AfCFTA's impact on REC integration, building on successes like the 70% NTB resolution rate at Namanga and 75% at Gatuna (AfDB, 2023). The portal's data, which logged 1,200 complaints in 2023, provides actionable insights into persistent barriers like customs delays and standards misalignment, enabling targeted interventions in RECs like ECOWAS and SADC (UNCTAD, 2023). Annual reports could benchmark progress against AfCFTA's goal of a 52% intra-African trade increase by 2030, highlighting best practices from Rwanda's digital systems and identifying laggards like IGAD, where integration remains weak (UNECA, 2020). This transparency strengthens stakeholder trust, encourages REC compliance, and supports Phase II goals in competition and intellectual property, but requires robust AU data infrastructure and coordination to ensure consistent reporting across diverse REC contexts (AUC, 2022).

CONCLUSION

The African Continental Free Trade Area (AfCFTA) stands as a transformative instrument for defragmenting Africa’s Regional Economic Communities (RECs), weaving a fragmented tapestry of overlapping trade regimes into a cohesive continental market through its trade borders policy. By harmonizing tariffs, eliminating non-tariff barriers (NTBs), and streamlining border procedures, AfCFTA addresses the regulatory silos that have long constrained intra-African trade, which currently accounts for only 16-18% of the continent’s total trade. The policy’s mechanisms—such as tariff liberalization on 90% of goods, the NTB online portal, and the Pan-African Payment and Settlement System (PAPSS)—build on REC strengths, like the East African Community’s (EAC) customs union, while scaling them continentally to reduce trade costs and foster economic integration. This defragmentation effort not only aligns divergent REC frameworks but also positions Africa to compete in a global economy dominated by cohesive trade blocs like the EU and ASEAN. The promise of AfCFTA lies in its ability to transform borders from bottlenecks into gateways, creating a unified market that amplifies Africa’s economic potential and fosters resilience against global trade disruptions.

The Kenya-Tanzania case at the Namanga border, complemented by Rwanda’s experience at the Gatuna border, vividly illustrates AfCFTA’s tangible impacts and persistent challenges in achieving defragmentation. At Namanga, the Guided Trade Initiative slashed clearance times from 3-5 days to under 24 hours, reduced trader costs by US$500-1,000 per shipment, and boosted intra-EAC trade by 15%, particularly for SMEs and women traders who dominate cross-border commerce. Similarly, Rwanda’s digital advancements at Gatuna cut delays to 12 hours, driving a 20% export increase and enhancing market access for coffee and processed goods, showcasing the power of technology in defragmentation. However, infrastructure gaps, such as unpaved roads and limited port capacity, alongside low rules of origin (RoO) compliance among SMEs, continue to hinder scalability in both cases. Rwanda’s tech-driven model offers a blueprint for digital integration, yet its success contrasts with Kenya’s infrastructural challenges, highlighting the need for tailored solutions across diverse REC contexts. These cases underscore AfCFTA’s potential to harmonize RECs while emphasizing the urgency of addressing structural and capacity barriers to sustain momentum.

Looking forward, AfCFTA’s trade borders policy aligns with Agenda 2063’s vision of an integrated, prosperous Africa by doubling intra-African trade by 2030, fostering economic diversification, and positioning the continent as a global economic force. The opportunity to develop “Factory Africa” value chains in agro-processing and textiles, coupled with Phase II negotiations on investment and intellectual property, can further deepen integration by leveraging REC strengths, such as ECOWAS’s agricultural base and EAC’s manufacturing potential. Policymakers must prioritize harmonization through AU-RECs taskforces to align RoO and standards, invest in US$100 billion worth of border infrastructure via public-private partnerships, and promote inclusion through gender- and youth-focused programs like mobile customs apps. By addressing these imperatives, AfCFTA can translate policy into tangible prosperity, empowering marginalized traders, boosting SME competitiveness, and reducing poverty for millions. The journey to a defragmented Africa demands sustained commitment, but its success will redefine the continent’s economic narrative, heralding a new era of unity and global influence.

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