



United Nations  
Economic Commission for Africa



United Nations Economic Commission for Africa (ECA)

Regional Integration and Trade Division

African Trade Policy Centre

## **CONCEPT NOTE**

**Ad-hoc Expert Group Meeting to review the Methodological approach to produce the AfCFTA Country Business Index**

**02-03 September 2019**

**ECA Conference Center**

**Addis Ababa, Ethiopia**

## 1. Background

The recently launched African Continental Free Trade Area (AfCFTA) is expected to be a game changer for Africa and a key engine of economic growth, industrialization and sustainable development of the continent in line with the African Union (AU) Agenda 2063 for “The Africa We Want” and the United Nations 2030 Agenda. Through the elimination of tariffs and the removal of non-tariff barriers, the AfCFTA is expected to address the fragmentation of African markets and support the creation of a conducive business environment for intra-African trade.

To realize the full potential of the AfCFTA, trade rules, regulations and policies which undermine the functionality of market institutions need to be identified and addressed. Businesses currently face many constraints including high trade costs, divergent regulatory frameworks and governance issues that undermine their effective operations on the African continent. These bottlenecks are expected to be addressed by an effective implementation of the AfCFTA Agreement. There is therefore a need to develop tools and instruments that help countries capture the effectiveness of measures undertaken to implement the AfCFTA with a view to increase business competitiveness.

In this regard, ECA has proposed the establishment of an AfCFTA Country Business Index (ACBI) that will be used at country level to assess and monitor constraints faced by the private sector as they trade in Africa. The rationale is that private businesses are the target beneficiaries of the AfCFTA – it is them that actually trade across borders to whom the AfCFTA should serve. By putting the private sector at the heart of monitoring the effectiveness of the AfCFTA, the ACBI will encourage countries to effectively implement the AfCFTA in the interest of those for whom it is designed. Having such an index that assesses and monitors trade enabling factors (including tariffs and non-tariffs measures) and induced costs faced by private sector operators will help to deepen the implementation of the AfCFTA.

The proposed ACBI intends to be a robust and unique tool for measuring and monitoring businesses’ experience with AfCFTA implementation at the country level, including identifying shortcomings and ways in which implementation can be improved. The Index will allow for cross-country comparisons to reward countries that are doing well in effectively implementing the AfCFTA, and through doing so encourage countries to develop a more conducive enabling business environment throughout the continent. It will ultimately be a tool to facilitate decisions making that will in turn sustain business and trade within and beyond Africa. It will further contribute to better understanding the challenges that the private sector operators and traders of various sizes face when trading across borders in Africa; especially by filling the gap in terms of information available to policymakers and businesses in Africa, considering the poor coverage of existing data. The Index will also provide the private sector with a tool for articulating their challenges to policy-makers.

It is in this context that ECA is convening an Expert Group Meeting (EGM) to review a draft methodology for the ACBI. The EGM is scheduled to take place on 02 - 03 September 2019 in Addis Ababa, Ethiopia.

## 2. Objective

The overall objective of the EGM is to rigorously review the proposed methodology for the production of the ACBI and discuss ways of refining it.

The specific objectives are to:

- i. critically review the proposed dimensions and indicators of the ACBI and suggest ways these can be improved;
- ii. review and ensure the proposed instruments for collecting data from businesses that produce/trade across borders in Africa through surveys are adequate and fit the intended purpose of the Index.

## 3. Participants

The Meeting will be attended by experts from Member States, Regional Economic Communities, the private sector, the academia and development institutions with interest in regional integration issues and in particular the AfCFTA.

## 4. Organizational Arrangements

- **Date and Venue of the Meeting**

The EGM will be held on 02-03 September 2019 at the ECA Conference Center, Addis Ababa, Ethiopia.

- **Documentation**

ECA will share the documents including annotated agenda, logistical note and relevant background documents to participants in electronic format once the latter confirm their participation to the EGM.

- **Logistics**

ECA will sponsor the experts attending the EGM. The organization will provide a round trip economy class air ticket and a daily subsistence allowance (DSA) according to United Nations rules and regulations to all experts.

## 5. Working languages

The working languages of the EGM will be English and French with simultaneous interpretation.

## 6. Contacts

For further information on the EGM, kindly contact Mr. Komi Tsowou ([tsowou@un.org](mailto:tsowou@un.org); Tel: +251 115443426) and Mr. Jamie Alexander Macleod ([macleodj@un.org](mailto:macleodj@un.org); Tel: +251 11 544 3813) and Ms. Wafa Aidi ([aidiw@un.org](mailto:aidiw@un.org); Tel: +251 11 544 5672).