AITCR POLICY INSIGHT

TRADE TRANSPARENCY, REGULATION AND BUSINESS RESPONSIVENESS IN AFRICA

Executive Summary

This report presents the findings and analysis of the Africa International Trade and Commerce Research (AITCR) Monthly Trade Poll Survey conducted in February 2025 under the theme "Trade Policy and Regulation in Africa." The objective of the survey was to assess stakeholder perceptions on key dimensions of Africa's trade governance landscape, specifically focusing on the transparency of trade policies, effectiveness of national trade regulations, predictability of cross-border trade rules, and responsiveness of trade policies to business needs. The poll engaged a broad spectrum of respondents from the private sector, trade associations, civil society, and policy institutions across the continent.

The results reflect a general dissatisfaction with the current state of trade governance in Africa. **70 percent of respondents believe trade policies are either slightly transparent or not transparent at all**, indicating major concerns about accessibility to information and inclusive stakeholder engagement.

Furthermore, perceptions of regulatory effectiveness are overwhelmingly negative, with **67 percent of respondents viewing national trade regulations as barely effective or ineffective.** Predictability in cross-border trade rules emerged as the weakest dimension, with **84 percent of respondents rating trade rules as either slightly predictable or unpredictable**, highlighting inconsistencies in enforcement and procedural clarity. Although **13 percent of respondents believe trade policies strongly target business needs**, the majority (**56 percent) feel they only partially do so, pointing to a policy-practice gap that limits the competitiveness of African enterprises**, particularly SMEs and informal traders. The harmonised analysis of these findings reveals a convergent pattern of institutional weakness and fragmented policy implementation, coupled with isolated pockets of progress.

While certain countries or regions may have demonstrated modest gains in transparency or business engagement, these remain insufficient to drive continent-wide improvements. The analysis identifies a major need for structural reforms, capacity-building, greater transparency, and enhanced coordination among regulatory bodies. Moreover, improving policy responsiveness through targeted dialogue with the private sector is essential to ensure trade reforms are grounded in real economic priorities.

In conclusion, the February 2025 Trade Poll demonstrates the imperative need for African governments and regional bodies to institutionalise reforms that promote accountable, inclusive, and harmonised trade governance. As Africa deepens its commitment to the African Continental Free Trade Area (AfCFTA), ensuring that trade policies are transparent, effective, predictable, and responsive to business needs will be central to maximising the continent's trade and development potential.

Introduction

Trade policy and regulation are government centered initiatives that play a vital role in shaping Africa's economic development and integration trajectory, particularly in the context of the African Continental Free Trade Area (AfCFTA). Effective trade governance frameworks are essential not only for facilitating the seamless movement of goods and services across borders, but also for enhancing competitiveness, attracting investment, and promoting inclusive growth. Yet, longstanding structural and institutional barriers continue to impede the realisation of these goals in many African economies. These include fragmented regulations, weak enforcement mechanisms, limited policy transparency, and misalignment with the needs of businesses, especially small and medium-sized enterprises (SMEs).

In light of these concerns, the Africa International Trade and Commerce Research (AITCR) conducted its February 2025 monthly trade poll survey under the theme *"Trade Policy and Regulation in Africa."* The objective was to gauge stakeholder perceptions across four major domains: the transparency of trade policies, the effectiveness of national trade regulations, the predictability of cross-border trade rules, and the degree to which current trade policies tackle the practical needs of businesses. This analysis presents a detailed interpretation of the survey results, offering insights into prevailing governance challenges, areas of partial progress, and policy implications for advancing trade reform across the continent.

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Background

Trade policy and regulation are key instruments for shaping Africa's economic development, regional integration, and participation in global value chains. Over the past decade, African countries have increasingly recognised the need for harmonised trade frameworks to foster competitiveness, diversify exports, and support structural transformation. The African Continental Free Trade Area (AfCFTA), which came into force in 2021, represents a milestone in Africa's journey toward a unified trade regime. Nevertheless, the effectiveness of trade policy across the continent is uneven, with several countries still grappling with outdated regulatory frameworks, limited enforcement capacity, and insufficient alignment between trade and industrial policies (African Union Commission, 2021).

A key issue confronting African trade policy is the lack of transparency in policy formulation and dissemination. Transparent trade policies are essential for building trust among stakeholders, attracting investment, and enabling businesses to manage rules and regulations efficiently. However, in many African countries, trade policies are developed without adequate stakeholder consultation or public access to trade-related information. This opacity undermines accountability and limits the ability of private sector actors, especially SMEs and informal traders, to engage effectively in intra-African and international trade. Transparency is particularly vital in the context of the AfCFTA, where timely access to tariff schedules, customs procedures, and trade facilitation measures can influence compliance and participation (World Bank, 2020).

Regulatory effectiveness is another pressing concern. National trade regulations are often plagued by weak institutional coordination, limited technical capacity, and poor enforcement mechanisms. Inconsistencies between national regulations and regional commitments can create confusion and discourage cross-border trade. Furthermore, many countries lack modernised legal frameworks for trade-related issues such as competition policy, intellectual property rights, and dispute resolution. Without effective and responsive regulations, businesses face uncertainty, increased transaction costs, and barriers to market entry, all of which undermine Africa's broader development and integration objectives (UNCTAD, 2021).

Conversely, closely related to the effectiveness of regulation is the predictability of cross-border trade rules. Predictable trade environments enable businesses to make informed investment decisions and manage risks effectively. However, African traders often face frequent changes in customs procedures, inconsistent application of non-tariff measures, and inadequate coordination between border agencies. These challenges hinder the smooth flow of goods and services, particularly for landlocked countries that depend on neighboring states for access to ports and markets. Enhancing predictability

will require not only legal reforms but also improved inter-agency collaboration, digitisation of trade processes, and capacity-building for border officials (AfDB, 2022).

Finally, the alignment of trade policies with business needs is essential to ensure that policy frameworks support inclusive and sustainable economic growth. Effective trade policies should be evidence-based, inclusive of private sector input, and tailored to tackle the real constraints faced by businesses across sectors. Yet, in many African contexts,

there is a disconnect between policy intent and implementation, leaving businesses, especially women- and youth-led enterprises, without the support necessary to scale operations or access new markets. Bridging this gap will require a stronger public-private dialogue, regular monitoring and evaluation of policy outcomes, and a deliberate focus on integrating marginalised groups into formal trade networks. As Africa continues to implement the AfCFTA, strengthening trade policy and regulation remains central to maximising the continent's economic potential (UNCTAD, 2022).

Methodology

The AITCR employs a mixed-methods approach grounded in empirical trade policy research and public opinion sampling to conduct its monthly trade poll surveys for African countries. For the February 2025 survey on *Trade Policy and Regulation in Africa*, a structured questionnaire was designed with close-ended questions to capture perceptions across four key dimensions: transparency of trade policies, effectiveness of national trade regulations, predictability of cross-border trade rules, and responsiveness of trade policies to business needs. The survey instrument was reviewed by trade policy experts to ensure validity and alignment with current continental trade discourse. A purposive sampling technique was employed to target respondents across diverse stakeholder groups, including private sector actors, trade facilitation experts, public officials, researchers, and representatives of small and medium-sized enterprises (SMEs) operating within Africa's trade ecosystem.
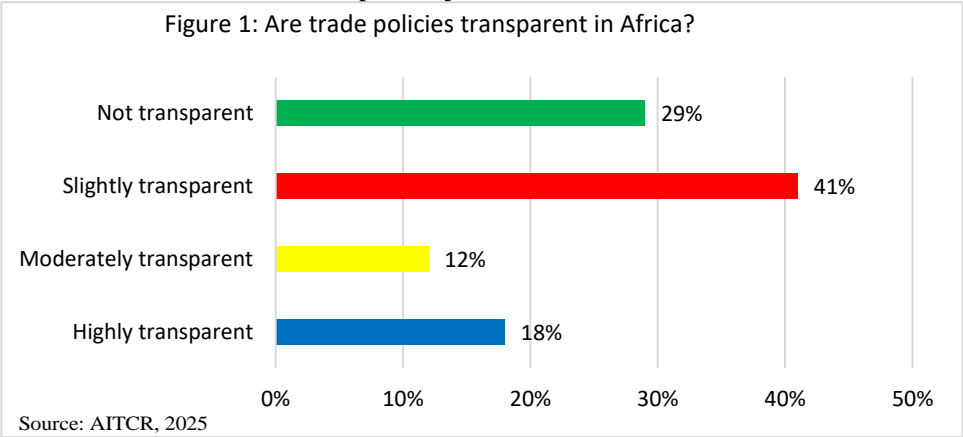
Data collection was conducted online over a two-week period in February 2025 using AITCR's secure survey platform. The use of digital distribution channels, including email lists, professional networks, and regional trade associations, ensured broad reach and representation across all eight African subregions. Descriptive statistics were used to analyse the responses, providing percentage distributions for each response category to facilitate interpretation. In line with AITCR's commitment to evidence-based advocacy, the survey results are triangulated with secondary data from policy briefs, trade reports, and academic literature to provide context and inform policy dialogue. Ethical research standards were upheld throughout the process, including informed consent, anonymity of respondents, and data confidentiality.

Graphical and Descriptive Analysis

The Africa International Trade and Commerce Research (AITCR) conducted a poll in February 2025 to assess stakeholder perceptions on four key dimensions of trade governance: transparency of trade policies, effectiveness of national trade regulations, predictability of cross-border trade rules, and responsiveness to business needs. The findings reveal persistent institutional and policy gaps that hinder Africa's capacity to harness the full benefits of regional initiatives such as the AfCFTA. This analysis synthesises the results and highlights areas for urgent policy attention and reform.

1. **Trade Policies Transparency in Africa**

Figure 1: Are trade policies transparent in Africa?

Category	Percentage
Not transparent	29%
Slightly transparent	41%
Moderately transparent	12%
Highly transparent	18%

Source: AITCR, 2025

The survey results in Figure 1 reveal that a significant portion of respondents perceive a low level of transparency in trade policy formulation and implementation across Africa. While only 18% of respondents consider trade policies to be highly transparent and 12% regard them as moderately transparent, a striking 70% believe that policies are either slightly transparent (41%) or not transparent at all (29%). This highlights a major concern in governance and stakeholder engagement, suggesting that most African governments may not be providing sufficient access to trade-related information or inclusive platforms for dialogue. The lack of transparency potentially undermines public trust, weakens policy uptake by businesses, and complicates the implementation of regional trade agreements such as the AfCFTA.

## 2. Effective of National Trade Regulations in Africa

Figure 2: How effective are national trade regulations in Africa?

Source: AITCR, 2025
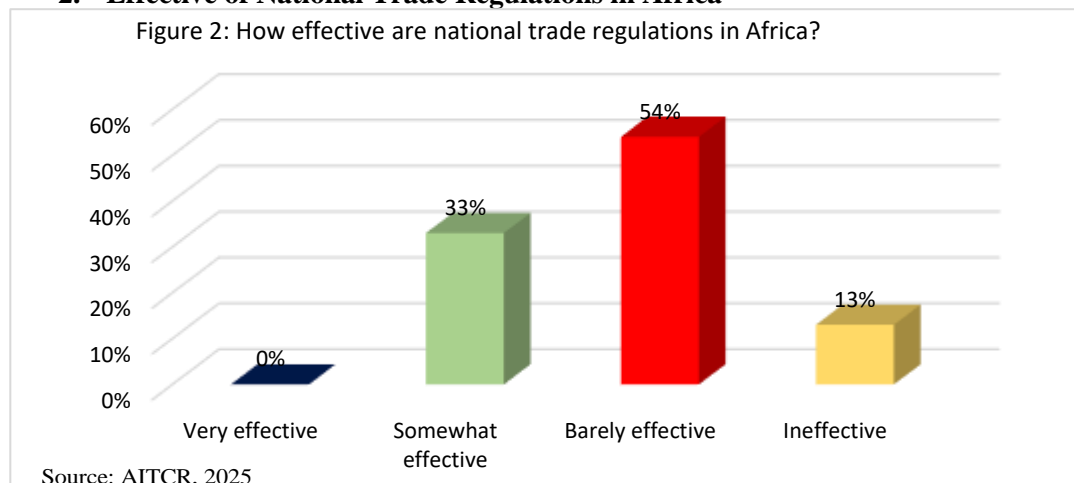
The survey results in Figure 2 reveal that perceptions of the effectiveness of national trade regulations are overwhelmingly negative. Not a single respondent rated these regulations as "very effective," while only 33% viewed them as "somewhat effective." The majority, 54%, rated them as "barely effective," and 13% described them as outright "ineffective." These results point to systemic issues in regulatory capacity, enforcement mechanisms, and alignment with continental and global trade norms. Weak regulatory performance can hinder trade facilitation, create bottlenecks at borders, and discourage private sector participation in formal trade. This signals an urgent need for policy reforms, capacity-building initiatives, and improved coordination among trade-related institutions.

## 3. Predictability of Cross-Border Trade Rules in Africa

Figure 3: Are cross-border trade rules predictable in Africa?

Source: AITCR, 2025
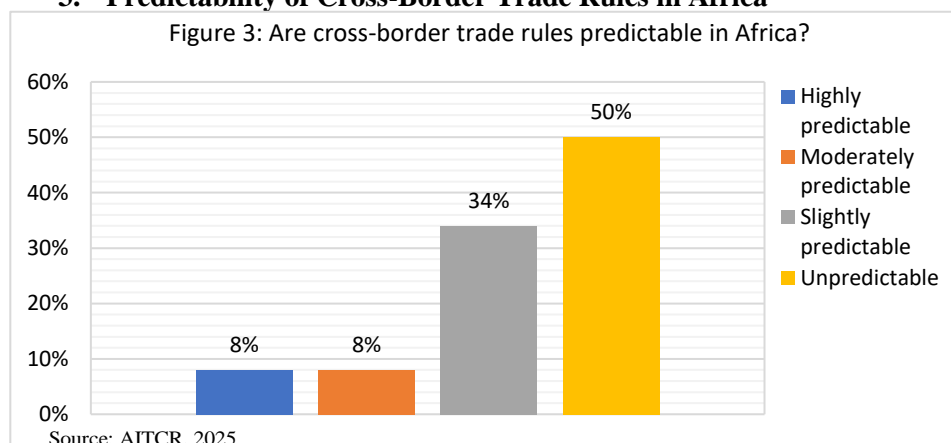
The chart results in Figure 3 indicate a high level of uncertainty and instability in cross-border trade regulation. Only 16% of respondents rated trade rules as either "highly" or "moderately" predictable, while 84% found them either "slightly predictable" (34%) or entirely "unpredictable" (50%). This unpredictability can be attributed to inconsistent customs procedures, arbitrary application of non-tariff measures, and poor inter-agency coordination. Such volatility increases transaction costs and operational risks for traders, particularly SMEs and informal businesses that lack the resources to

adapt quickly to regulatory shifts. Enhancing the predictability of trade rules is therefore important to boosting trade efficiency and investor confidence under regional initiatives like the AfCFTA.

4. Trade Policies and Business Needs in Africa

Do trade policies address business needs in Africa?

Source: AITCR, 2025
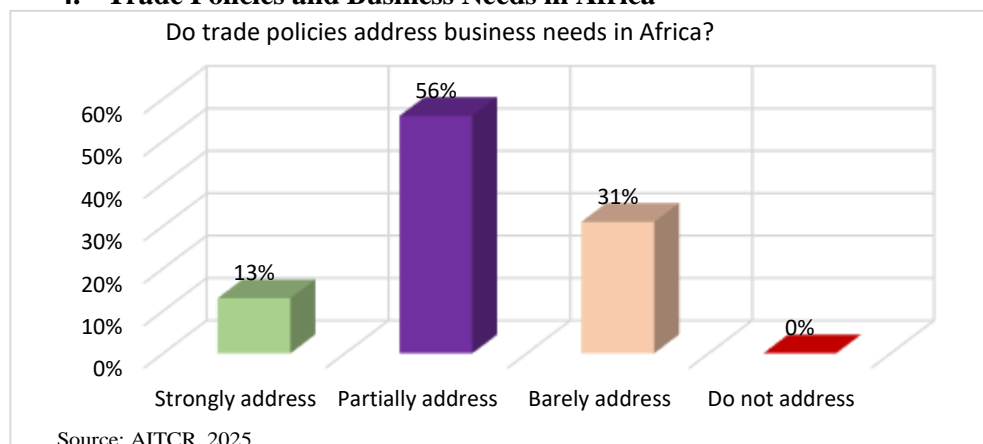
Although no respondents felt that trade policies completely fail to target business needs, as shown in Figure 4, the majority believe there is only partial responsiveness. Specifically, 56% indicated that trade policies "partially address" business needs, 31% said they "barely address" them, and just 13% felt they "strongly address" them. This response suggests a disconnect between policy design and the practical realities faced by businesses, particularly those in emerging sectors, SMEs, and women- and youth-led enterprises. While some policy frameworks may exist in theory, they often lack implementation support, adequate incentives, or relevance to industry-specific challenges. For trade policy to catalyse economic transformation, there must be closer alignment with private sector demands, facilitated by sustained public-private dialogue and targeted policy interventions.

Harmonised Analysis of Trade Policy and Regulation Poll Results in Africa – February 2025

The February 2025 trade poll survey conducted by the Africa International Trade and Commerce Research offers a comprehensive snapshot of stakeholder perceptions on the state of trade policy and regulation in Africa. Across the four key indicators, transparency of trade policies, effectiveness of national trade regulations, predictability of cross-border trade rules, and responsiveness of trade policies to business needs, a clear pattern of systemic weakness emerges, revealing major governance and institutional gaps in Africa's trade ecosystem.

A notable point of convergence across all four poll questions is the widespread perception of underperformance. Respondents overwhelmingly express dissatisfaction with the transparency (70% rating it slightly or not transparent), effectiveness (67% rating it barely effective or ineffective), and predictability (84% rating it slightly predictable or unpredictable) of trade policies and regulatory environments. This convergence underscores a structural problem wherein trade-related governance lacks openness, coordination, and reliability, key attributes for building a conducive environment for intra-African and global trade. These shortcomings are further amplified by the limited perception

that trade policies adequately tackle business needs, with only 13% of respondents stating that such policies strongly support businesses.

However, subtle divergences within the responses also provide nuanced insights. For instance, while no respondents found national trade regulations "very effective," a third (33%) rated them as "somewhat effective," indicating the existence of partially functioning systems that could be strengthened with targeted interventions. Similarly, while cross-border trade rules were perceived as highly unpredictable by half of the respondents, 34% rated them as "slightly predictable," suggesting that some level of consistency exists, possibly in specific regional corridors or under specific bilateral agreements. This reflects an uneven policy landscape, where progress is being made in pockets but lacks broader institutionalisation.

The equilibrium of these findings lies in the recognition that Africa's trade policy ecosystem is neither entirely dysfunctional nor wholly effective; it exists in a transitional state. Stakeholders acknowledge fragments of positive progress (e.g., the 13% who believe policies strongly target business needs or the 18% who see high transparency), but these are overshadowed by overarching challenges of implementation, harmonisation, and stakeholder engagement. The coexistence of moderate optimism and major concern points to the urgent need for policy reform that is both systemic and inclusive.

Overall, the insights drawn from this harmonised analysis stress the imperative of reinforcing institutional capacity, improving inter-agency coordination, enhancing the use of digital tools for transparency and predictability, and fostering stronger public-private partnerships. As Africa seeks to operationalise the AfCFTA and maximise the full potential of regional trade, tackling these foundational governance issues will be central to creating a stable, effective, and responsive trade environment.
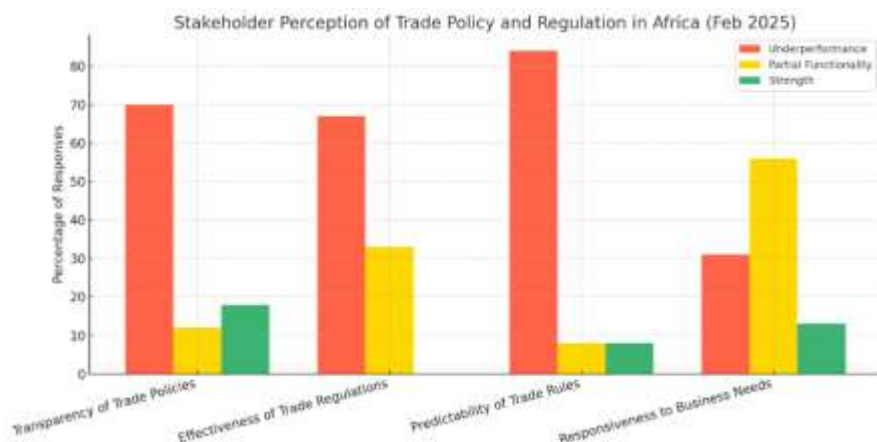
Figure 5: Stakeholder Perception of Trade Policy and Regulation in Africa
The chart reveals widespread stakeholder dissatisfaction with trade policy and regulation in Africa, with most respondents rating transparency, effectiveness, and predictability as poor. While some progress is noted, particularly in policies partially tackling business needs, strong performance

remains limited and inconsistent. The findings highlight systemic governance and implementation challenges, underscoring the need for institutional reforms, greater policy coherence, and more inclusive engagement to fully realise the benefits of continental trade integration under frameworks like the AfCFTA.

Conclusion and Policy Recommendations

The February 2025 Trade Poll Survey by the AITCR highlights key institutional and policy gaps that continue to undermine the efficacy of trade governance in Africa. Stakeholder responses indicate significant dissatisfaction across four key dimensions: transparency, regulatory effectiveness, rule predictability, and responsiveness to business needs. While some progress has been made, particularly in the partial responsiveness of trade policies to private sector concerns, the overall picture is one of fragmented implementation, limited institutional capacity, and weak policy coherence. These deficiencies pose a serious risk to the success of regional trade integration efforts under the AfCFTA and limit the potential of trade to drive inclusive economic transformation.

In light of the findings from the February 2025 Trade Poll Survey, African governments and regional institutions are strongly urged to take decisive and coordinated actions to tackle the governance and implementation challenges undermining the continent's trade ecosystem. The AITCR recommends the following actionable steps tailored to the roles and responsibilities of African public institutions:

1. **Commit to Trade Policy Transparency**: African governments must lead by example in institutionalizing transparency by publishing trade policies, tariffs, and customs procedures in user-friendly formats across digital platforms. Ministries of Trade and relevant regulatory bodies should ensure inclusive and regular public consultations with stakeholders, including civil society and business associations, during trade policy formulation and review processes.

2. **Invest in Regulatory Capacity and Coordination**: National trade and customs authorities should undergo targeted capacity-building programmes to enhance the quality and efficiency of regulatory services. Governments are encouraged to foster inter-agency collaboration, particularly between trade, customs, standards, and investment bodies, to ensure a unified and coherent trade regulatory environment.

3. **Foster Predictability through Harmonised and Digital Trade Systems**: To reduce uncertainty and trade disruptions, national

institutions must work in close coordination with the AfCFTA Secretariat and RECs (Regional Economic Communities) to harmonise trade-related regulations, digitise customs and clearance procedures, and adopt regional best practices. Predictable systems build business confidence and attract greater cross-border investment.

4. **Tailor Trade Policy to Business Realities**: African governments must institutionalise structured public-private dialogue platforms to routinely engage business actors, especially SMEs, women-owned businesses, and youth entrepreneurs. Policies should be crafted and revised based on concrete evidence and feedback from the business community to ensure that trade reforms directly support productivity, innovation, and export readiness.

5. **Champion Regional Integration through Practical Commitments**: Governments and regional institutions should go beyond policy declarations and actively implement agreed AfCFTA protocols, mutual recognition of standards, and cross-border dispute resolution mechanisms. African institutions such as the African Union Commission, AfCFTA Secretariat, and RECs must support member states with technical assistance, peer learning, and monitoring frameworks to ensure continental commitments translate into real economic gains.

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