

AFRICA AGRICULTURE TRADE MONITOR (AATM) 2022



LAUNCHING THE 5TH EDITION OF THE AATM

 Tuesday, September 27, 2022  13:30 –15:15 (GMT)

CONCEPT NOTE

Introduction

The African Agriculture Trade Monitor (AATM) is produced and published under the African Growth and Development Policy (AGRODEP) Modeling Consortium and the Regional Strategic Analysis and Knowledge Support System (ReSAKSS) programs as a collaborative effort by AKADEMIYA2063 and the International Food Policy Research Institute (IFPRI). It builds on the work of both organizations in support of the Comprehensive Africa Agriculture Development Programme (CAADP).

The annual flagship report is a leading continental publication and a key source of evidence on trends in African agricultural trade and policies, using high-quality data and analytics to review Africa's progress in the area of trade in general, including critical topics for trade in Africa's agrifood sector.

Designed to strengthen evidence-based policymaking in agricultural trade, the four editions of the AATM published since 2018 have covered:

- » The impact of COVID-19 on African agricultural trade
- » The role of informal cross-border flows in Africa's trade
- » The potential impact of global trade tensions
- » Major developments affecting Africa's trade performance

About the 2022 Africa Agriculture Trade Monitor (AATM)

AKADEMIYA2063 and the International Food Policy Research Institute (IFPRI) are convening a virtual session to debate and promote the findings of the 2022 Africa Agriculture Trade Monitor (AATM), which provides improved trade statistics and indicators for deeper insights into Africa's agricultural trade.

Agricultural trade and global food security have been dramatically affected by a series of unusual events. While the global economy is recovering from the COVID-19 pandemic, the Russian invasion of Ukraine has aggravated challenging problems. In a context where agricultural prices were already high due to climate change and policies such as export restrictions and support for biofuels, the war has amplified the increase in food prices and inflationary pressures during the first half of 2022 and increased volatility throughout the year. The combination of these shocks affects agricultural trade and food security throughout Africa, especially in countries that are highly dependent on food imports. The role of trade in creating resilience in this volatile environment is crucial and has been much discussed.

The 2022 AATM contributes to our understanding of African agricultural trade and its relationship with food and nutrition security in several important ways. First, it provides a thorough analysis of regional and continental trade in agriculture and selected value chains using accurate statistics developed for this report. This year, it adds an analysis of the nutritional content of African trade and looks closely at the trade in processed products. Second, it examines the potentially transformative impact of the African Continental Free Trade Area (AfCFTA) on the region's economies. Third, at the regional level, it analyzes the evolution of intra- as well as extra-regional trade flows and trade policy of one of Africa's regional economic communities (RECs), namely the Economic Community of Central African States (ECCAS).

As in prior editions, this fifth AATM provides improved trade statistics and uses consistent indicators to monitor trends in Africa's participation in global trade as well as the status of intra-African trade. The report highlights three main findings. First, the insertion of African countries in global and regional value chains is low but has recently improved. Indeed, both forward participation in value chains (that is, provision of inputs to other countries' processing sectors) and backward participation (incorporation of imported intermediates into African traded products) have increased, although forward links have grown faster than backward links. Second, intra-African trade increased significantly prior to the pandemic in most RECs, especially in processed products. Yet, this trend was halted by the COVID-19 shock, especially in ECCAS and the Arab Maghreb Union (AMU). Third, in terms of nutritional content, extra-African trade is concentrated in high-value products with low caloric content. In comparison, intra-African flows are more intensive in calories, fat, and protein. The report models the impacts on trade, growth, and welfare of several potential approaches to the AfCFTA implementation. It also analyzes trends and policy issues in value chains for stimulants, cocoa, coffee, and tea.

Objectives

In addition to formally launching the report, the event provides an opportunity to discuss and exchange on:

1. The latest trends, progress, and outlook on African agricultural trade in regional and global markets.
2. The role of trade in boosting food supply and enhancing resilience to shocks.
3. Trends and policy issues in value chains for stimulants (cocoa, coffee, and tea).
4. Patterns of trade integration within ECCAS.
5. The impacts on trade, growth, and welfare of several potential approaches to the AfCFTA and the need for more ambitious policy measures in its implementation.