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European
Commission

PAN-AFRICAN NETWORK FOR ECONOMIC ANALYSIS OF POLICIES

Workshop on the potential impact of AfCFTA on
agri-food sectors and food security in Ghana

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14 FEBRUARY 2024

The Pan-African Network for economic Analysis of Policies



PANAP is part of the Action Agenda of the [Political Declaration](#) of the [3rd AU-EU Agriculture Ministerial Conference](#) held in Rome on 21 June 2019, and is conceived in the framework of the Africa-Europe agenda for rural transformation - [Task force rural Africa](#).

[PANAP](#) is a network among academic/research and institutional partners policy issues with a focus on Africa food systems. PANAP wants to strengthen the capacity of researchers and academics to ex-ante evaluate policies with special focus on rural areas and related farming-food sectors.

AU Commissioner
Agriculture



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EU Commissioner
Agriculture



AU-EU Agriculture Ministerial Conference

June 2019
June 2021
June 2023

Policy Agenda



ARBE - Department of
Agriculture, Rural Development,
Blue Economy, and Sustainable
Environment



Forum for Agricultural Research in Africa



Transforming Agriculture for Improved Livelihoods

CORAF



CCARDESA

**African National
Research
Centres**



Joint Research Centre

**DG.INTPA
EUDs**

DG.AGRI

EU National
Research
Centres



PAN-AFRICAN NETWORK FOR ECONOMIC ANALYSIS OF POLICIES



Raison d'être

- **Strengthening the EU's partnership with Africa.** A new Africa-Europe Alliance and a Global Gateway Africa-Europe programme.
- **Task Force Rural Africa:** An Africa-Europe Agenda for Rural Transformation
- Conducting research on economic analysis of policies related to Africa's **agri-food system and sustainability**.
- Support the **Sustainable transition** of African Food Systems and the adoption of **Agroecological** practices

Material & Methods

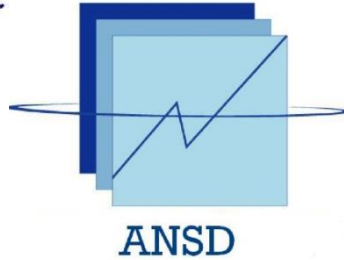
- **Survey and Data analyses**
- **Micro-level economic models:**
 - Farm-household Model (FSSIM-Dev)
- **Economy-wide economic models:** General Equilibrium Models (MAGNET & DEMETRA) and SAM
- **Integration** of micro and macro-level data and models.

Objectives

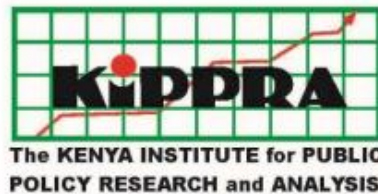
- **Foster scientific communities** with independent, evidence-based scientific support, data/information, and economic analysis of sustainable agrifood systems and related policies.
- **Support African researchers and policy makers** in designing, assessing ex-ante and evaluating ex-post and disseminating the assessments of policies impacts.
- **Serve as a platform** for knowledge sharing, data, models/tools, coding and modelling skills, and creating a common knowledge base and practices.
- **Help to enhance food and nutrition security**, as in the Malabo Declaration - ending hunger in Africa by 2025, and SDG2 - Zero Hunger

Partners and collaborators

African Union



UNIVERSITEIT VAN PRETORIA
UNIVERSITY OF PRETORIA
YUNIBESITHI YA PRETORIA



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Policy Studies Institute (PSI)



PANAP Activities

Knowledge sharing

Data production and maintenance

Micro analysis

Economy-wide analysis

Integrated analysis

Scientific co-production



AfCFTA

Impacts of AfCFTA on agri-food sectors at continental, regional and country level.

- [Tariff and non-tariff measure analysis](#)
- [Continental impact](#) (food security)
- Regional impacts (COMESA,...)
- Country level impacts (sectorial, distribution, job creation, poverty).

- [Kenya](#) [Tanzania](#)

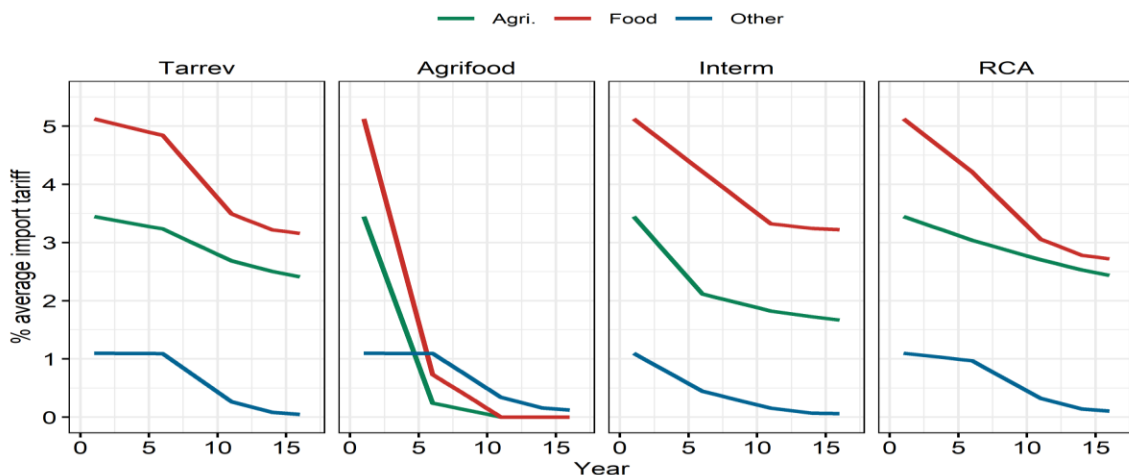
- Ghana Niger Nigeria



Trade policy data and scenarios

Import tariffs

- government revenue maximization (Tarrev)
- improving food access (Agrifood)
- promoting industrialisation (Interm)
- increasing competition by liberalising industries with revealed comparative advantage (RCA)



Non-tariff measures

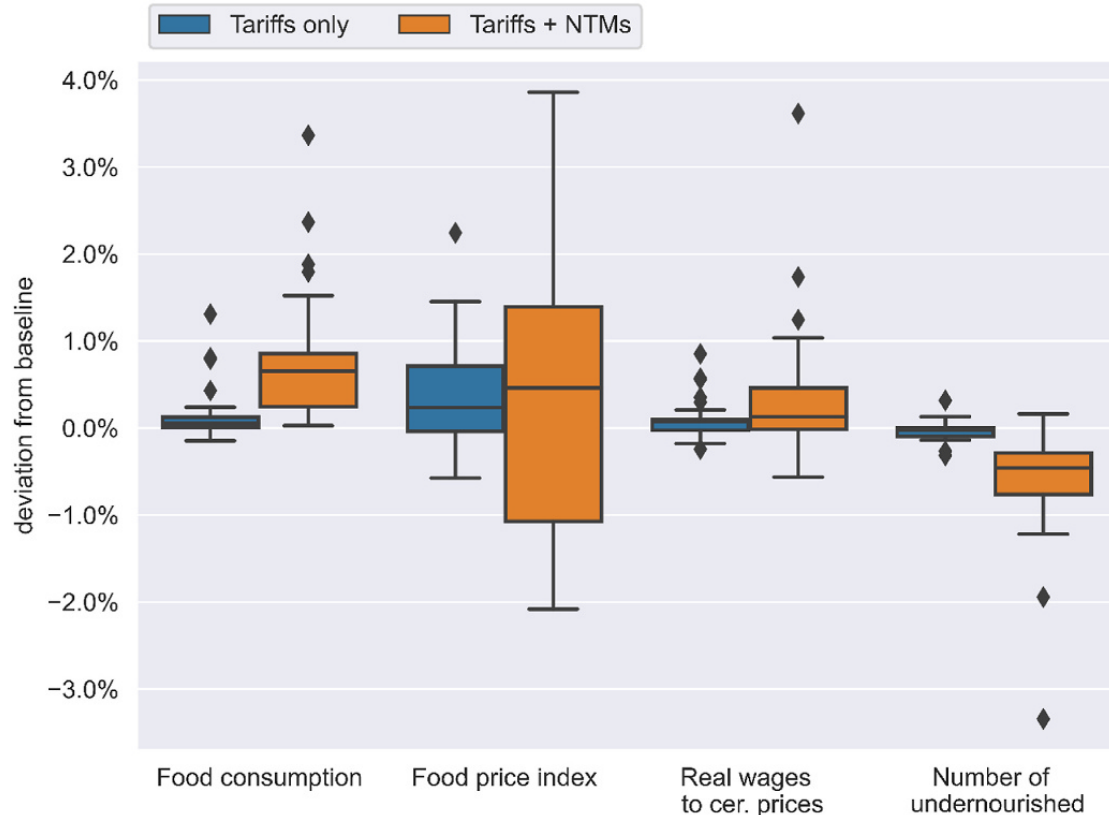
Reduction of 50 % in NTMs on merchandise and services trade for all intra-AU states.

NTMs for all imports and exports between AU and non-AU countries decrease by 25 %.

The NTMs are reduced linearly, starting from the year 2020 and completing in 2035.

Technical measures are cost generating (iceberg costs), the non-technical measures are rent generating (*ad valorem* tariff equivalents).

Continental Analysis



Changes in the main food security variables (2035, uniform tariff revenue maximization)

Positive impact on African economies and on the agri-food sectors. AfCFTA strengthen intracontinental trade.

GDPs grow moderately. Welfare gains are more significant given a reduction in general prices and an increase in household income.

Food availability improve as a result of better access to food commodities. Food consumption and disposable also improve. Food prices show more varied changes among the regions.

AfCFTA continental Impacts



JRC SCIENCE FOR POLICY REPORT



Potential effects of the African Continental Free Trade Area (AfCFTA) on African agri-food sectors and food security

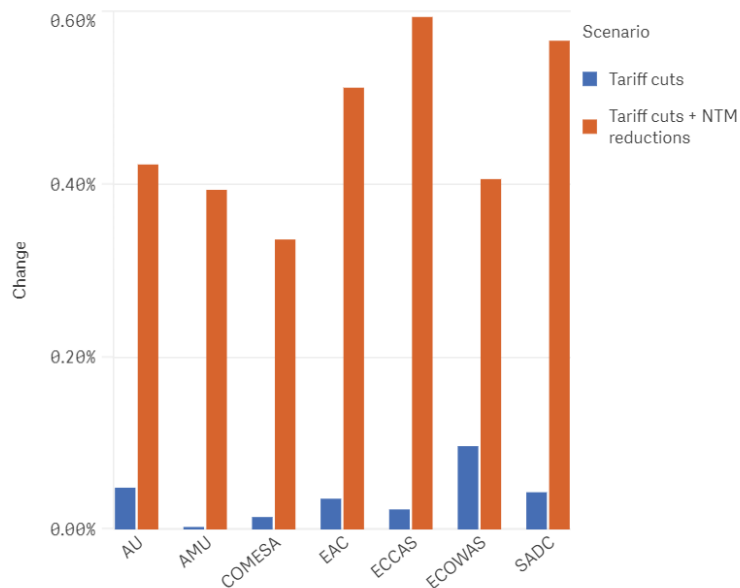
Simele, A., Bouzon, G., Ferrel, E., Rochford, V. and Soutar, P.

2023



Change in GDP (volume) by shocks decomposition and RECs

2035; Maximization of tariff revenues



<https://datam.jrc.ec.europa.eu/datam/mashup/AfCFTA/>



Policy support

AfCFTA Tanzania

Workshop to bring together policy makers and researchers to discuss the outcomes of the modelling activities, highlighting the distributional issues raised by trade liberalization.

News & article



AfCFTA Kenya



AfCFTA Nigeria

Workshop to take place next week.

AfCFTA Niger

Ongoing analysis

Thank you



<https://datam.jrc.ec.europa.eu/datam/area/PANAP>



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PANAP Newsletter

https://datam.jrc.ec.europa.eu/datam/mashup/PANAP_NEWSLETTERS

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