



GLOBAL TRADE SHIFTS AND POLICY CONSIDERATIONS IN AFRICA 2026

Table of Content

Executive Summary	3
Introduction	4
Overview of US Trade Shift with The Rest of the World	11
Implications to the African Continent	13
Opportunities presented by US trade Shifts for Africa	14
Key Take Aways Policy Considerations for Africa	20
References	25
ANNEXES	26
ANNEX A: Table 1: U.S.-China Trade Shift: A Timeline of Key Events	26
ANNEX B: Table 2: U.S. Trade Shifts Beyond China	27
ANNEX C: Table 3: Impact of the New Tariff Regime for Selected AGOA and EAC Countries	29
ANNEX D: Table 4: Distribution of African Exports to the United States by Country (%) in 2023	31

Executive Summary

Africa's participation in global trade remains low, contributing only 3% to global trade despite the continent's vast natural resources and growing consumer base. In 2023, Africa recorded merchandise exports worth \$614.58 billion and imports of \$699.36 billion, resulting in a trade deficit of \$84.78 billion. Intra-African trade accounted for \$193.17 billion, representing 15–17% of total trade. While trade remains a critical driver of Africa's growth and industrialization, structural challenges, such as reliance on raw commodity exports and underdeveloped value chains, continue to limit the continent's competitiveness.

The escalation of recent global tariff shifts particularly between the U.S. and China has exposed Africa's vulnerability to external shocks. The imposition of tariffs on the Liberation Day ranging from 10% to 50% on some African countries, especially in apparel and industrial goods, undermines market access for countries reliant on preferences under frameworks like AGOA which is expiring soon. Furthermore, increasing protectionist measures globally weakens multilateral trade norms, reducing export demand, disrupting supply chains, risking dumping of goods and exacerbating Africa's trade imbalance.

Despite these challenges, there are emerging opportunities. Intra-African trade is shifting toward more value-added products, particularly in agro-processing and manufactured goods. The AfCFTA offers a pathway to deepen regional integration, harmonize trade policies, and reduce tariffs and non-tariff barriers. Additionally, Africa holds a strategic advantage in critical minerals like cobalt and lithium, which are currently exempt from key U.S. tariffs. The continent's youthful population and rising demand for services also present significant potential for economic diversification, industrial growth and digital trade expansion.

To navigate global trade disruptions and build resilience, Africa must adopt a comprehensive and forward-looking

strategy. First, negotiating as a unified bloc will strengthen Africa's collective bargaining power. The continent must also diversify beyond traditional markets and goods by expanding into trade in services and non-traditional markets like Latin America, Asia, and the Middle East. Promoting mineral beneficiation policies will enable local value addition from exempted key minerals such as cobalt, lithium, and rare earth elements. The rapid domestication of AfCFTA protocols, including harmonization of rules of origin and digital border systems, alongside strong political commitment to eliminate non-tariff barriers, will accelerate intra-African trade. Leveraging on cutting-edge Digital Innovations like the Trade Logistics Information Pipeline, regional transit guarantee schemes and e-customs will drive trade efficiency and transparency. At the same time, scaling continental and regional value chains in agro-processing, fisheries, pharmaceuticals, and automotive sectors will strengthen Africa's industrialization goals. Strong enforcement of trade remedies and mechanisms, infrastructure upgrades and reforms to enhance supply chains will boost productive capacity. Africa must also invest in human capital to tap into its demographic dividend and establish itself as a competitive manufacturing and distribution hub. Finally, all these efforts should be guided by evidence based, inclusive and WTO-compliant trade policies to ensure sustainable and impactful integration into global trade.



1. Introduction

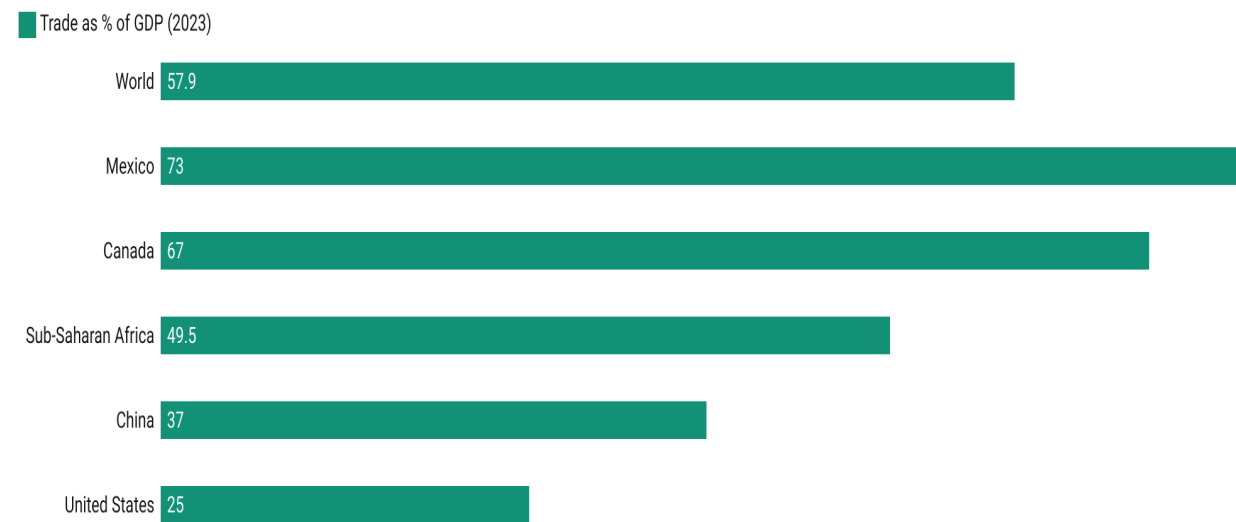
Africa's trade landscape continues to evolve, reflecting both opportunities and challenges. In 2023, Africa's total merchandise exports were valued at approximately \$614.58 billion, while imports stood at around \$699.36 billion, resulting in a trade deficit of \$84.78 billion (UNCTAD, 2024). Africa's total trade volume has witnessed steady growth over the years. Intra-African trade has been expanding, reaching \$193.17 billion in 2023, an 18.6% increase from the previous year driven by initiatives like the African Continental Free Trade Agreement (AfCFTA), (Afrexim Bank, 2024). Despite the growth, trade in Africa still account for only 3% of international trade.

Trade as a share of GDP accounts for 57.9 % globally, 73% in Mexico, 67% in Canada, 37% in China and 24% in U.S. However, in 2023 the

U.S. trade deficit in goods was the world’s largest at over \$1 trillion. In Africa, trade plays a significant role in the economy though its contribution varies across regions. In Sub-Saharan Africa, exports of goods and services account for approximately 23.51%, while imports constitute about 25.95% (World Bank, World Integrated Trade Solution.) This indicates a trade-to-GDP ratio of around 49.46%, reflecting the region's vulnerability to global trade shocks.



Figure 1: Africa, and Sub-Saharan Africa in particular, is highly vulnerable to global trade shocks due to the significant share of trade in their GDP.





Africa’s exports are largely raw materials such as crude oil, gold, diamonds and agricultural commodities, while imports primarily consist of machinery, electronics, vehicles and medical supplies. Intra-African trade is increasingly shifting towards processed agricultural products, which accounted for 46.3% of intra-African trade between 2019 and 2021, highlighting progress in value addition and industrialization (AfDB, 2024).

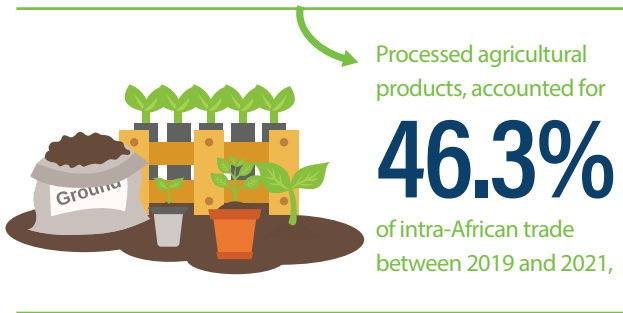
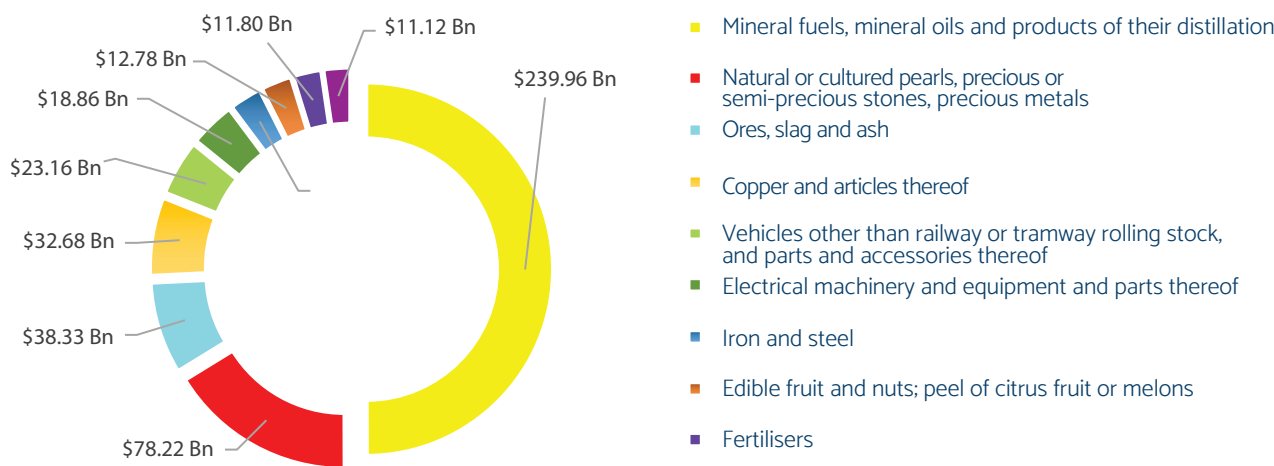


Figure 2: Top Export and Import Products of Africa in Global Trade (2023):

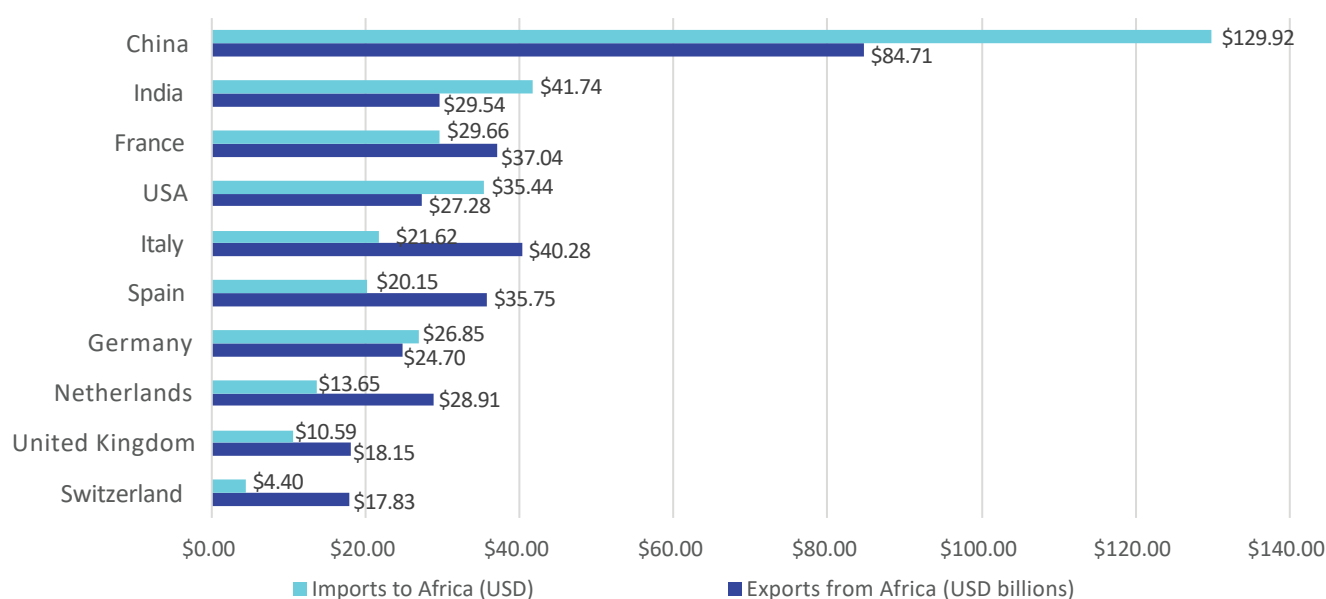


Source: ITC Trade Map
Note: Figures in USD Billion

Both China and the United States are key players in Africa's trade landscape. The top Africa trading partners in 2023 included China, India, France and USA. According to a recent report by the General Administration of Customs of China (GACC, 2024), trade between China and Africa exceeded \$214.63 billion in 2024, reflecting a 6.1% increase compared to 2023. The report indicates that Chinese exports to Africa grew by 3.5%, while Chinese imports from Africa rose by 6.9%.

As a result, Africa's trade deficit with China narrowed to \$61.93 billion in 2024, down from \$64 billion in 2023. Furthermore, nearly half of African countries recorded double-digit year-on-year growth in trade volumes with China (GACC, 2024).

Figure 3: Top Export Products of Africa in 2023: Precious metals and minerals are Africa's top exports while Africa imported mostly mineral fuels, oils, and machinery in 2023.



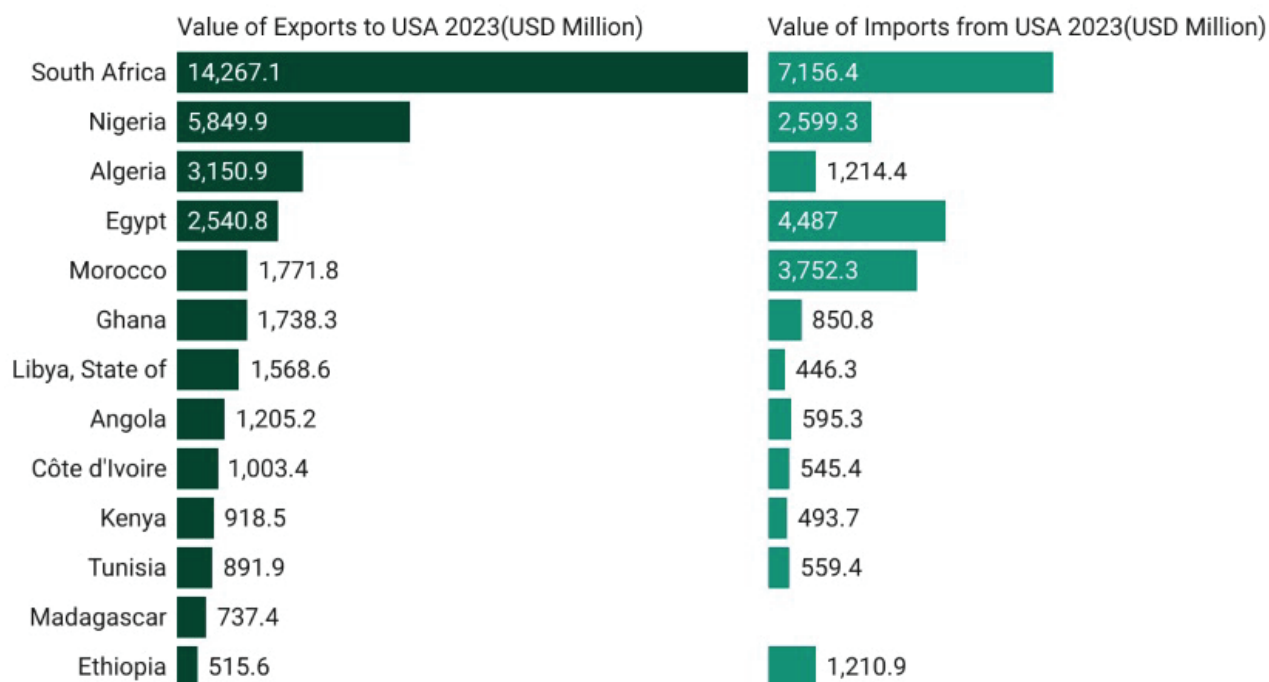
Source: Africa Trade Data

Note: The values represent trade volumes between Africa and each respective country in 2023.

On the other hand, trade between Africa and the United States has been facilitated through duty-free access to U.S. markets since 2000 under the African Growth and Opportunity Act (AGOA), which covers nearly 7,000 products. According to the Office of the U.S. Trade Representative (USTR), U.S. imports under AGOA reached USD 9.7 billion in 2023, with leading imports being crude oil (USD 4.2 billion), apparel (USD 1.1 billion), and agricultural products

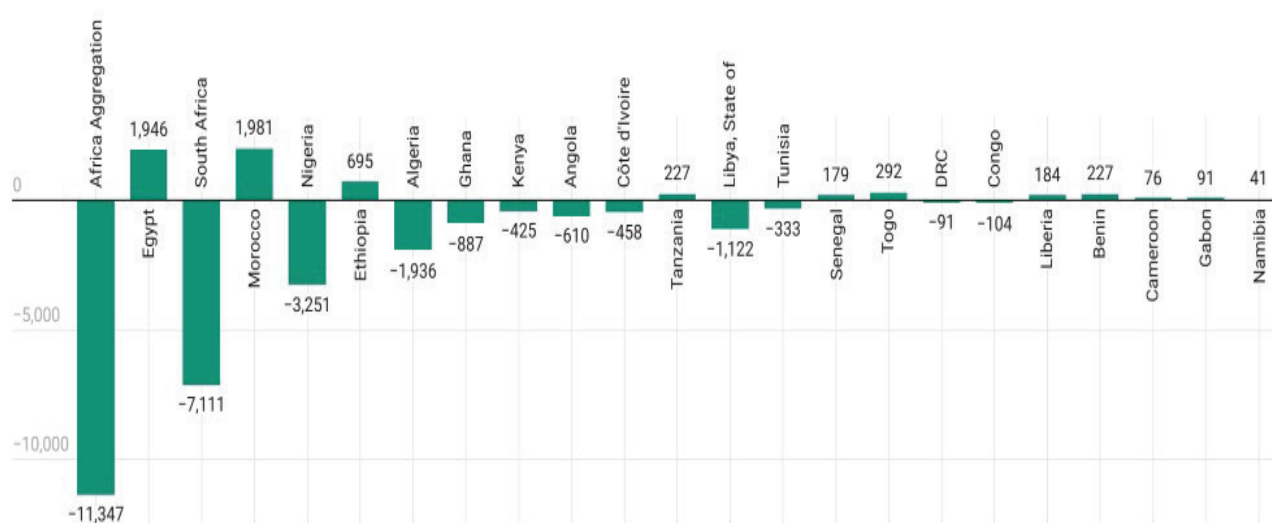
(over USD 900 million). The main African exporters to the U.S. were South Africa, Nigeria, Ghana, Angola, and Ivory Coast. The agreement is scheduled to expire in September 2025.

Figure 4: South Africa, Nigeria, Algeria and Egypt remain as the key US trading Partners



Source: ITC tradeMap

Figure 5: South Africa, Nigeria and Algeria Contribute Significantly to Africa trade deficit with US (USD Millions 2023)

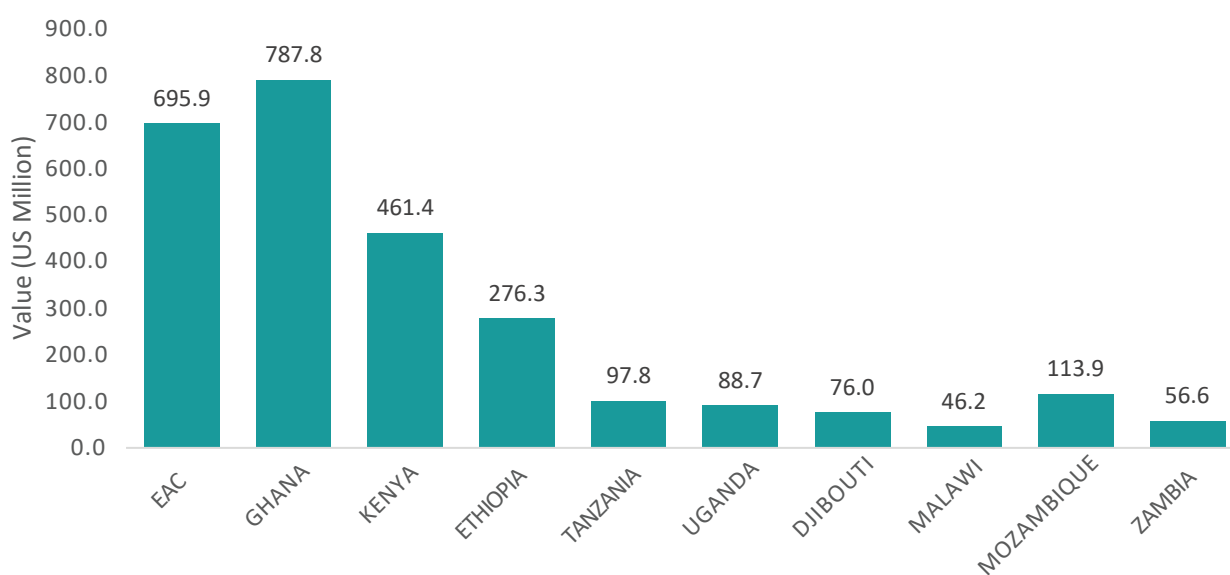


Source: ITC Trade Map

In the East African Community (EAC), context, the region stands out for its notable export performance to the United States, particularly under the African Growth and Opportunity Act (AGOA). In 2023 the EAC exported goods worth USD 695.9 million to the United States, with Kenya contributing the largest share at USD 461.4 million, followed by Tanzania (USD 97.8 million) and Uganda (USD 88.7 million). In comparison, Ghana's exports to the United States in the same year exceeded the combined exports of all East African Community (EAC) member states, underscoring the EAC's underperformance in

leveraging preferential trade arrangements such as AGOA. Additionally, countries like Ethiopia, Mozambique, Zambia, and Malawi also play a significant role in USA imports. However, within the EAC, nations such as Burundi, DRC, Rwanda, Somalia, and South Sudan have a very small share of exports to the USA (Figure 6).

Figure 6: USA Value of Imports from TMA Countries of Operations, 2023 (USD Million)

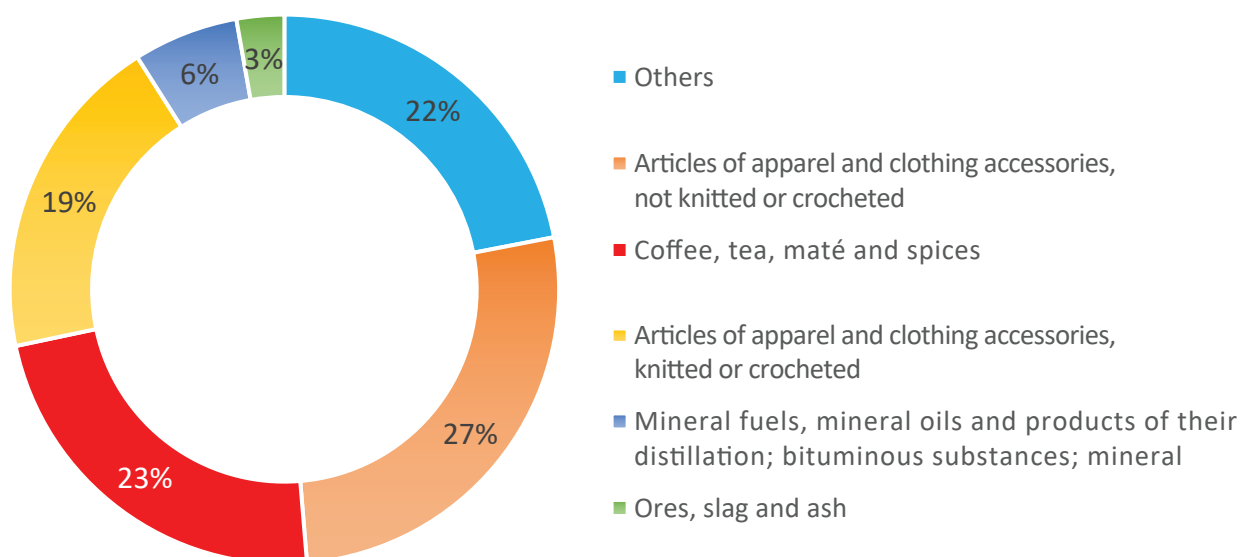


Source: ITC Trade Map

EAC exports to the United States were dominated by articles of apparel and clothing accessories (excluding knitted or crocheted items), reflecting a narrow export base under AGOA. In 2023, these exports were valued at \$185.9 million, reflecting the region's growing textile industry. This was followed by coffee, tea, maté, and spices, a stronghold of East African agriculture, with exports worth USD 160.1 million. Additionally, knitted or crocheted apparel and clothing accessories accounted for USD 134.5 million. However, in Ghana, primary export to the USA is mineral

fuels and oils (USD 389.9 Million) and Cocoa and cocoa preparations (USD 242.2 Million) while Ethiopia's primary export to USA is Coffee, tea, maté and spices valued at USD 145.2 million in 2023.

Figure 7: EAC exports to the United States were dominated by articles of apparel and clothing accessories (not knitted or crocheted) in 2023

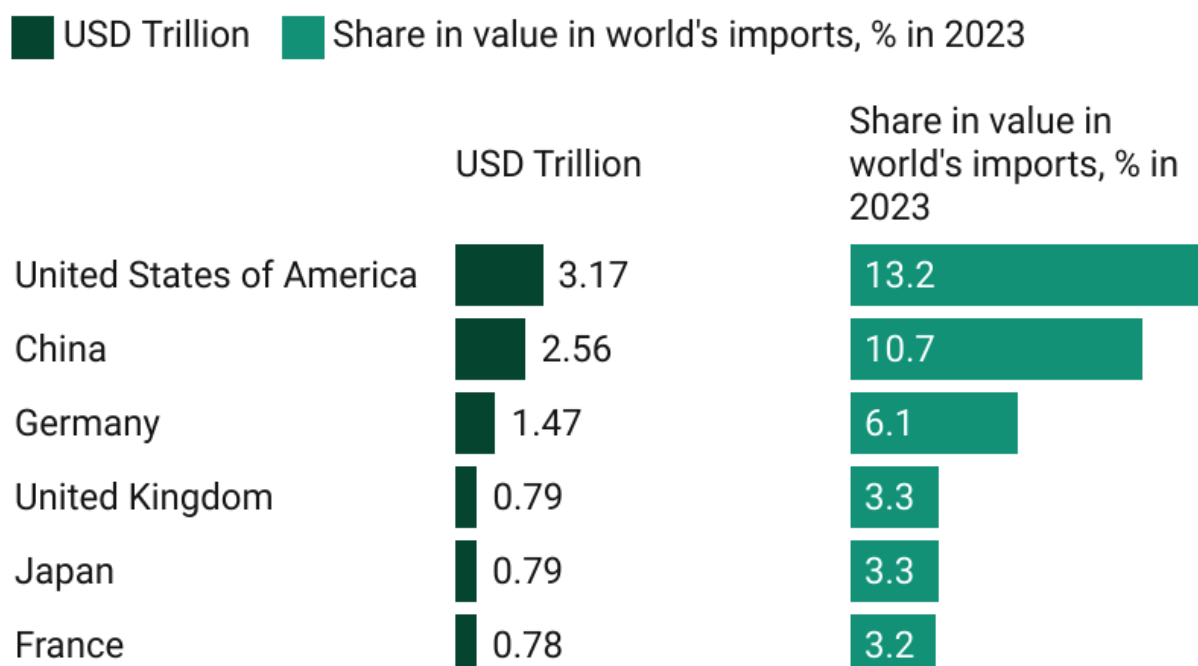


Source: ITC Trade Map

2. OVERVIEW OF US TRADE SHIFT WITH THE REST OF THE WORLD

As of 2023, the United States remained the world's largest importer, with total imports of goods and services amounting to approximately \$3.83 trillion. (Statista).

Figure 8: The U.S. share of global imports is estimated to be around 13%, maintaining its position as the largest importer worldwide.



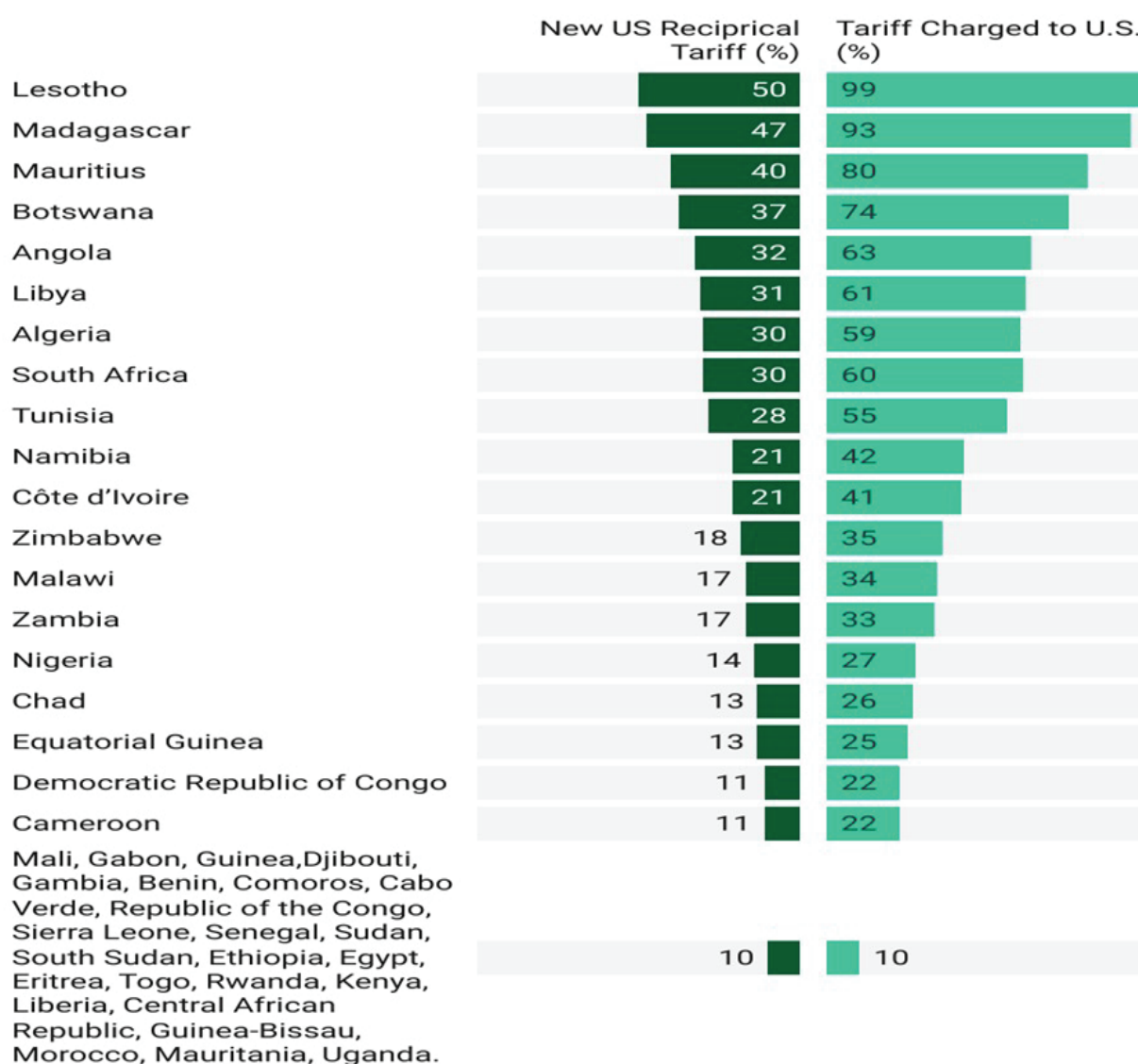
The US's unpredictable tariff moves—most recently targeting China, the EU, Canada, and others are creating deep uncertainty in global trade, disrupting supply chains, affecting commodity prices, and reshaping international trade alliances. Though the major U.S. trading partners such as Canada, China, Mexico, and the European Union have announced or threatened responsive tariffs in

response to U.S. tariffs, African countries and regional economic communities have not taken similar actions as shown in Annex A (Table 1) and B (Table 2). They have opted to remain silent or consider diplomatic engagement and participation in multilateral forums to address trade concerns rather than implementing direct responsive measures.

The U.S. exempted copper, pharmaceuticals, semiconductors, lumber, gold, energy, and certain specific minerals in the recent liberation day tariffs. Additionally, Canada and Mexico were excluded from the blanket 10%

tariff, while no new tariffs were applied to Russia, Belarus, Cuba, and North Korea. In addition, energy is exempt from the new tariffs, so major oil, gas, and petroleum exporters will not be much affected.

Figure 9: Southern African Countries were hardest hit in U.S. Reciprocal Tariffs on Liberation Day, April 2025



Source: US Government

3. IMPLICATIONS TO THE AFRICAN CONTINENT

The introduction of U.S. tariffs is expected to affect African economies in several ways.

1). Erosion of multilateralism

The WTO's Most Favored Nation (MFN) principle has been weakened by U.S.–China protectionism and the shift toward bilateral and plurilateral agreements. The recent imposition of reciprocal tariffs by the United States signals a notable shift in its trade policy moving away from multilateralism towards nationalism and protectionism. As the U.S. pivots toward self-reliance and reduced dependence on international supply chains, African countries may face diminished trade opportunities, particularly under frameworks like AGOA.

2). Reduced Demand and competitiveness on Key Exports

US reciprocal tariff ranges from 10% to 50% (for Lesotho) for the African countries. The wide range (10%-50%) suggests uneven impacts, with smaller economies potentially struggling more, while larger ones like Nigeria (27%) may adapt. However, US is a relatively small export market for most AGOA countries because their share of total exports to the US is below 4% (Centre for Global Development). The U.S. tariff on African exports will increase

costs for key exports like platinum, agriculture, textile and automotive sector reducing competitiveness in the U.S. market. Countries such as Angola, Chad, the DRC, Ghana, and Nigeria may have minimal impact since they mainly export oil, gas, and petroleum to the US which have been exempted from the new tariffs. However, for countries such as Kenya, Lesotho, Mauritius and Madagascar impact may be severe. This is because these countries rely heavily on the US export market for apparel. As a result, reduced demand on key exports like platinum, agriculture, textile and automotive sectors could lead to job losses, lower export revenues and increased inflation.

In addition, countries that have been more severely affected especially in Southern Africa risk losing their price competitiveness in exports compared to Eastern African nations, which currently face a baseline tariff of 10 percent (ANNEX C: Table 3). This is particularly significant for textile exports, a major sector for both regions in the U.S. market. Consequently, export volumes from Southern Africa may decline, especially for products that have easily available substitutes in the U.S. However, this shift could present an opportunity for countries like Kenya, whose 10 percent tariff on garments is considerably lower than that of other key exporters such as Lesotho, South Africa, Bangladesh, and Vietnam.

3). Risk of oversupply and dumping of Chinese goods

As U.S. tariffs on Chinese exports increase, Chinese firms will seek alternative markets—Africa among them—potentially flooding local markets with goods priced below production cost. Such dumped goods could undercut emerging African manufacturing sectors, negatively impacting domestic producers. African governments must strengthen trade instruments such as anti-dumping duties, countervailing measures, and safeguard actions to protect strategic sectors.

4). Disruption of Supply Chains

The U.S. trade tariffs, particularly the 25% duties imposed on imports from Canada, Mexico, and China, are poised to significantly affect global supply chains, with notable implications for African industries. Tariffs disrupted long-standing supply chains, leading to rerouting trade flows. This indirectly affected African suppliers of raw materials and intermediate goods who are linked to global value chains involving the U.S., China, and the

EU. The automotive sector, heavily reliant on parts and materials from these countries, faces increased production costs due to tariffs on components like engines and transmissions. This escalation may disrupt established supply networks and inflate vehicle prices. Similarly, the pharmaceutical industry, which depends on raw materials and finished products from China and India, confronts potential price hikes and supply shortages because of these trade measures. This is worsened by the already limited involvement of African countries in Global Value Chains, which is reflected in their weak participation in regional value chains. The percentage of value-added in Africa's exports is 14 percent, which is low compared to emerging economies in Asia (27 percent) and advanced countries (31 percent) (Slany 2019). About 50 percent of Africa's participation in GVCs is in mining and associated sectors such as petroleum and minerals (OECD 2022).



Figure 10: Top African Countries participating in RVCs, backward and forward integration rates as a percentage of exports.



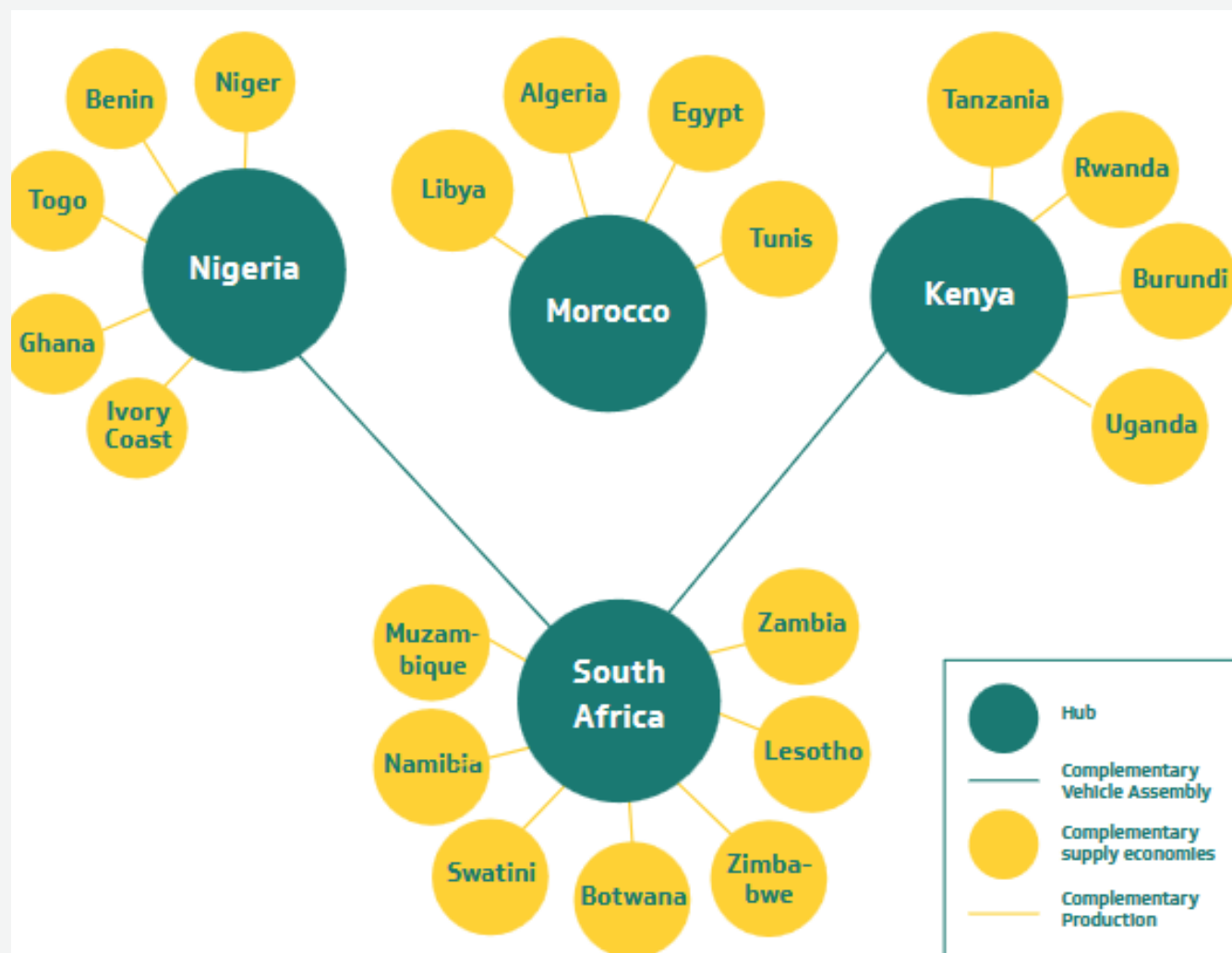
Source: Slany (2019).

Box 1: Regional Value Chains in Africa: Case Study on Automotive Sector

Africa has the potential to utilize a wide range of products and services from various sectors to strengthen and develop RVCs. This case study can inform policy discussions and decision-making. The automotive industry presents a promising opportunity for collaboration across countries at different stages of the value chain. The market size is estimated at US\$30.44 billion, with projections to grow to US\$42.06 billion by 2027, with South Africa and Morocco accounting for approximately 80.6% of the export market (Agarwal et al. 2022). Significant strides have been made with the establishment of the African Association of Automotive Manufacturers, which, with backing from the South African government, aims to create sub regional hubs to foster the industry's growth across the continent (Black et al. 2019). As shown in Figure 10, the automotive RVC is structured around three primary hubs: South Africa, Kenya, and Nigeria, with suppliers drawn from these countries and their neighbors (Barnes et al. 2021). Morocco represents the fourth hub, focusing on North Africa.

To successfully develop a RVC in the automotive sector, policymakers must address several key challenges, such as limited manufacturing capabilities and, more critically, inadequate infrastructure, unreliable energy supply, and a shortage of skilled labor (Markowitz and Black 2019). Another significant challenge, which could lead to welfare loss, is the importation of second-hand vehicles. To build a thriving regional automotive industry, it will be necessary to impose certain restrictions that do not prevent low-income consumers from accessing cars (Barnes et al. 2021).

Figure 11: The RVC in the automotive Sector in Africa



Source: Barnes et al. (2021).

5). Slow Industrial and Economic Growth

Trade barriers causing global "geo-economic fragmentation" could shrink sub-Saharan Africa's GDP by 4%, twice the projected losses for the rest of the world (IMF). U.S. tariffs in China could slow Chinese economic growth, reducing its demand for raw materials. This would negatively impact African exporters such as Zambia, Angola, and the DRC, which rely heavily on the Chinese market for copper, oil, and cobalt. Further, the IMF states that if global trade divides into two blocs centered around the EU and the U.S. on one side and China on the other, sub-Saharan Africa would face restricted access to major export markets and rising import costs. Over a decade, the region's median economy could see a lasting 4% drop in real GDP compared to a scenario without such fragmentation. This implies that this fragmentation would cause a negative impact to Africa. In such a volatile trade environment, investor confidence may also waver, potentially leading to a drop in foreign direct investment across strategic sectors. This shift could slow infrastructure development, reduce capital inflows, and limit opportunities for economic growth within Africa especially in countries which have traditionally relied on China

For instance, the Kenya National Bureau of Statistics (KNBS) reports that Chinese-funded infrastructure projects, which play a key role in the EAC's development path, have slowed down, with Beijing's commitments to Kenya declining by over a third in the past three years.



Trade barriers causing global "geo-economic fragmentation" could shrink sub-Saharan Africa's GDP by

4%

6). Rising Import Costs and Inflationary Pressure

The rising global tariffs, particularly on China could reduce global trade by over 7% in 2030 according to an advisory firm Oxford Economics. Africa, already grappling with inflation from the Ukraine conflict, faces further economic strain. As the U.S. imposes tariffs on Chinese goods, China may redirect its surplus exports to alternative markets,

A study by the University of Chicago suggests that U.S. import prices could rise by

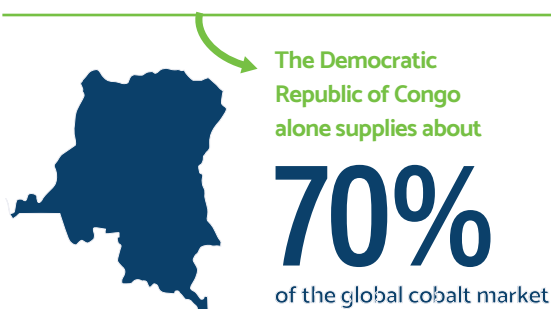


including Africa. This influx of cheaper Chinese products into African markets could benefit consumers in the short term but may also lead to inflation as production costs rise. Higher inflation would likely trigger another round of interest rate hikes, stalling the continent's recovery and growth prospects. A study by the University of Chicago suggests that U.S. import prices could rise by 10% over the next year.

7). Surge in Transactional Trade and Strategic Resource Competition

The current trade shifts have the potential to increase transactional trade especially in Africa due to the continent's abundant reserves of critical minerals—such as cobalt, lithium, and rare earth elements. The continent holds substantial reserves of these essential resources, including 55% of cobalt, 47.65% manganese, 21.6% of natural graphite, 5.9% of

copper, 5.6% of nickel, 1% of lithium, and 0.6% of iron ore globally (UNCTAD) and approximately 30% of the world's mineral reserves (UNECA). The Democratic Republic of Congo alone supplies about 70% of the global cobalt market, a mineral critical in electric vehicle battery production.



This abundance has attracted significant attention from major economies, notably the United States and China, both seeking to secure stable supplies for their industries. China, through initiatives like the Belt and Road, has heavily invested in African mining projects, while the U.S. is now increasing efforts to diversify its mineral sources. For instance, the rising global demand for lithium has led to a proliferation of informal mining operations in Nigeria. These activities often involve direct, short-term transactions with foreign buyers, frequently bypassing regulatory oversight. A recent announcement that the Indian

government is looking to acquire critical mineral assets in Congo, Tanzania, and Mozambique, and has secured 9,000 square kilometers of greenfield land in Zambia for the exploration of copper and cobalt, brings in a new dimension to its resource diplomacy in the region (Walia, 2025). In February 2025, DRC President proposed a deal to U.S. President, offering mining opportunities in exchange for assistance in combating rebel groups.





4. OPPORTUNITIES PRESENTED BY US TRADE SHIFTS FOR AFRICA

These trade shifts present both an opportunity and a significant geopolitical risk for Africa. While the continent could gain from the ongoing disputes between the U.S. and China, African nations must exercise caution, carefully assessing the risks, strategic calculations, and potential repercussions if one of the major powers adopts a punitive stance against countries perceived to align with its rival.

1). African manufacturers can emerge as competitive alternatives to Asian supply hubs.

With U.S. tariffs on Southeast Asian imports—especially solar panels—rising sharply, firms like Japan's TOYO Co. Ltd. are investing in Ethiopian production to serve U.S. markets. By leveraging lower African tariffs (often 10%) and proximity to raw materials, countries such as Ethiopia can position themselves as attractive bases for light manufacturing, textiles, and renewable energy components.

2). U.S. protectionism creates openings for deeper trade agreements with Africa.

As American tariffs target Chinese and

European goods; African exporters could gain expanded market access if leaders negotiate new or enhanced trade agreements extending beyond AGOA to lock in preferential duties for manufactured and agricultural products.

3). Africa's strategic advantages of location, resources and labor make it investment worthy.

The continent's growing regional integration (AfCFTA), abundant natural resources, and cost competitive workforce present compelling reasons for global firms to diversify supply chains away from Asia. This is particularly true for agribusiness, light manufacturing, and energy related sectors.

4). China's reorientation toward Africa brings fresh financing and market support.

Following a \$50 billion three year FOCAC funding pledge and duty free access for 33 African nations, China is strengthening infrastructure and trade links piloting cooperation zones in Niger and Tanzania and hosting major trade expos in Nigeria and Kenya to channel both investment and exports (including green technologies) into the continent. Overall, China's renewed focus on African market potential and economic

development signals promising growth prospects, with trade, investment, and industrial cooperation expected to strengthen in the coming years.

5). Expansion of BRICS+ offers new commodity and supply chain pathways.

With Egypt and Ethiopia joining, BRICS+ now represents roughly 25% percent of global GDP and 40% percent of crude oil trade, creating integrated channels for grains, steel, and other commodities. African members can leverage this bloc to diversify export portfolios and reduce dependence on Western markets.

5. KEY TAKE AWAYS POLICY CONSIDERATIONS FOR AFRICA

Africa can reduce vulnerability to global trade disruptions through focusing in key areas including:

1). Africa to Negotiate as a Bloc. Africa must strengthen its collective voice in global trade forums like the WTO, G7 and G20.

Through unified positions under the African Union and the AfCFTA Secretariat, African countries can increase bargaining power and avoid being played off against one another by larger economies.

2). Diversify into trade in services and other markets.

As global tariff wars escalate, especially between the US and China, trade in goods becomes vulnerable. Trade in services currently not affected by the tariff shifts and aligned with U.S. demand as a top trade in services importer. Diversification of exports to Latin America, Asia and Middle East will cushion the continent.

3). Capitalize on the exempted key minerals from the U.S. tariffs through strong mineral beneficiation policies.

Key minerals such as cobalt, lithium, and rare earth elements are exempted under current U.S. tariffs. Africa, as major source of these minerals, must adopt strong mineral

beneficiation policies to ensure value addition occurs on the continent.

4). Rapid Domestication of AfCFTA Protocols and Identification of REC Champions.

To unlock the full potential of the AfCFTA, each member state must not only ratify but also domesticate AfCFTA protocols into national law. This involves harmonizing rules of origin, streamlining customs procedures, and implementing digital single window systems at borders. By embedding these instruments in domestic regulations—and championing them at the highest political levels—governments will reduce transaction costs, accelerate cross border shipments, and grow intra African trade beyond its current 15–17percent share

5). Leveraging Cutting-edge digital innovation.

Digital tools such as the Trade Logistics Information Pipeline (TLIP), smart corridors, e-customs systems, and regional guarantee schemes (e.g., the COMESA Regional Customs Transit Guarantee) can revolutionize trade across Africa. These innovations enable seamless trade across Africa under AfCFTA, reduce documentation burdens, improve transparency, lower costs, and enable real-time tracking. For example, Kenya and Uganda's use

of TLIP has significantly reduced cargo clearance times at border points.

6). High level political commitment to eliminate Non-Tariff Barriers (NTBs). NTBs such as roadblocks, quotas, technical regulations, and administrative delays—continue to stifle intra-African trade. Addressing them requires high-level political will. A few countries like Rwanda and Ghana have set up national NTB monitoring mechanisms. The AfCFTA NTB Online Mechanism offers a platform for businesses to report NTBs, but more champions are needed at ministerial and REC levels to enforce resolution and accountability.

7). Scaling up critical continental value chains.

Africa must scale up continental value chains, especially in priority sectors like agro-processing, fisheries, pharmaceuticals and automotive. For example, Nigeria's growing pharmaceuticals sector could integrate with East African packaging and distribution systems.

8). Strengthen Trade Remedies and Enforcement Mechanisms.

To protect African industries from unfair trade practices such as dumping and subsidized imports, strong trade remedies (anti-dumping, safeguards, countervailing measures) must be enforced. Africa must invest in building the institutional and legal capacity of national trade authorities and provide technical support for SMEs to file complaints and seek redress under the AfCFTA Protocol on Dispute Settlement.

9). Enhance Supply Chains and Productive Capacity.

Priority reforms such as lowering electricity tariffs for industries, rationalizing taxes on trade inputs, investing in regional road, rail, and port infrastructure, and providing affordable financing to local manufacturers could enhance productive capacity, reduce reliance on imports and promote the growth of value-added exports across the continent

10). Exploit Demographic Dividend. Africa's population is projected to reach 2.5 billion by 2050.

This presents a vast labor pool and consumer base. Strategic investments in education, skills development, and entrepreneurship will ensure that Africa's youth become a productive force for industrialization and trade.

11). Embrace Africa as a Manufacturing and Distribution Hub.

With rising production costs in Asia and the need for nearshoring post-COVID, Africa is well-positioned to become a competitive hub for light manufacturing and distribution. Initiatives like the African Industrialization Strategy and the Made in Africa brand should be promoted. Special Economic Zones (SEZs) and Industrial Parks can attract investment in textiles, automotive, and consumer goods.

12). Drive for Evidence-Based Trade Policies.

Responsive tariff measures and protectionist policies risk undermining the multilateral trading system. Africa must champion evidence-based trade policies grounded in empirical data, stakeholder consultations, and impact assessments. This will help design policies that are inclusive, growth-oriented and WTO-compliant.



6. REFERENCES

Afreximbank (2024). African Trade Report 2023. African Export-Import Bank. Available at: https://media.afreximbank.com/afrexim/AFRICAN_TRADE_REPORT_2023.pdf

Afreximbank (2024) Regional Value Chains and Intra-African Trade Promotion. African Export-Import Bank

Agarwal et al. 2022. The African Continental Free Trade Area and the Automotive Value Chain. ODI Report. <https://odi.org/en/publications/the-afcfta-and-the-automotive-value-chain/>

Barnes, J., A. Black, C. Markowitz, and L. Monaco. 2021. "Regional Integration, Regional Value Chains and the Automotive Industry in Sub-Saharan Africa." *Development Southern Africa* 38 (1): 57–72

GACC (2024). Trade between China and Africa. General Administration of Customs of China. Reported by The Africa Report. Available at: https://www.linkedin.com/posts/the-africa-report_trade-between-china-and-africa-reached-more-activity-7290798594050150400-Oft3

Markowitz, C., and A. Black. 2019. "The Prospects for Regional Value Chains in the Automotive Sector in Southern Africa." In *Value Chains in Sub-Saharan Africa: Challenges of Integration into the Global Economy*, edited by S. Scholvin, A. Black, J. Diez, and I. Turok, 27–42. Cham: Springer

Reuters. (2024, October 14). Japan's Toyo to produce solar cells in Ethiopia for US plant. Reuters.

UNCTAD (2024). Africa's Share in Global Trade. United Nations Conference on Trade and Development. Available at: https://unctad.org/system/files/official-document/aldcafrica2024_ch2_en.pdf

UNCTAD (2024). Economic Development in Africa Report 2024. United Nations Conference on Trade and Development. Available at: <https://unctad.org/publication/economic-development-africa-report-2024>.

World Bank. (2025). World Integrated Trade Solution. Retrieved from <https://wits.worldbank.org>

Walia, A. (2025, February 28). Govt to explore copper, cobalt reserves in Zambia, tap other African countries. *The Indian Express*.

ANNEXES

ANNEX A:

Table 1: U.S.-China Trade Shift: A Timeline of Key Events

DATE	U.S. ACTIONS	CHINA'S RESPONSE
Mar-2018	25% tariff on steel, 10% on aluminum	Tariffs on \$3B worth of U.S. goods (fruits, pork, wine)
Jul-2018	25% tariff on \$34B of Chinese imports	25% tariff on U.S. exports (soybeans, autos)
Sep-2018	10% tariff on \$200B of Chinese imports	Tariffs on \$60B of U.S. goods
May-2019	Raised tariffs to 25% on \$200B of imports	Tariffs on \$60B of U.S. goods
Aug-2019	10% tariff on \$300B of Chinese imports	Tariffs on \$75B of U.S. goods (soybeans, oil, cars)
Jan-2020	Phase One Deal: China agrees to buy \$200B of U.S. goods	Some tariffs reduced but duties on \$360B remain
2022-2023	Semiconductor export ban	Export restrictions on rare earth minerals
Feb-25	10% tariff on all Chinese imports	Tariff hikes (15% on wheat, chicken; 10% on soybeans, pork, beef)
Mar-25	Raised tariffs to 20% on all Chinese imports	Additional tariffs on key U.S. agricultural products

Source: US Government



ANNEX B:
Table 2: U.S. Trade Shifts Beyond China

DATE	AFFECTED COUNTRIES	U.S. ACTIONS	RESPONSIVE MEASURES/THREATS
4-Mar-2025	Canada & Mexico	25% tariffs on imports from Canada and Mexico, with a 10% tariff specifically on Canadian oil and gas.	Canada: Tariffs on \$20B of U.S. products Mexico: Announced intentions to implement countermeasures in response to U.S. tariffs, though specific details were pending
12-Mar-2025	Global	25% tariff on steel & aluminum	EU: Tariffs on \$28B of U.S. goods (whiskey, beer, beef, soybeans)
24-Mar-2025	Venezuela	Announced a 25% "secondary tariff" on imports from any country purchasing oil or gas from Venezuela, effective April 2.	No formal responses from affected countries have been detailed as of the announcement date.
26-Mar-2025	Global	25% tariff on cars and car parts	Countries expected to respond (EU, Japan, South Korea, Germany)

Source: US Government

DATE	AFFECTED COUNTRIES	U.S. ACTIONS	RESPONSIVE MEASURES/THREATS
30-Mar-25	Russia	Threatened to impose secondary tariffs of 25% to 50% on buyers of Russian oil if Russia is perceived as hindering U.S. efforts to negotiate a ceasefire in Ukraine.	Specific responsive measures from Russia or affected countries have not been detailed as of the announcement date.
April 2, 2025	Global	Declared "Liberation Day," announcing a 10% universal import duty on all goods brought into the U.S., with higher rates for 57 trading partners based on bilateral trade deficits. The 10% baseline tariff took effect on April 5, with additional rates beginning April 9.	EU: Tariffs on \$28B of U.S. goods (whiskey, beer, beef, soybeans)
April 9, 2025	Global	A 90-day pause on all "reciprocal" tariffs except those imposed on China, which will see tariffs increased to at least 125%	Further China imposed 84% on all United States and currently has imposed 125%

Source: US Government

ANNEX C:

Table 3: Impact of the New Tariff Regime for Selected AGOA and EAC Countries

COUNTRY	TARIFF RATE (%)	KEY EXPORTS TO US	US MARKET SIGNIFICANCE
Angola	32	Oil (exempt)	Not significant
Burundi	10	Coffee, tea, maté and spices	Not significant
Botswana	37	Diamonds / precious or semi-precious stones	Not significant
Chad	13	Petroleum (exempt)	Very significant
DRC	11	Wood, wood articles, charcoal	Not significant
Djibouti	10	Delivery trucks	Not significant
Ethiopia	10	Coffee, tea, maté and spices	Significant
Eswatini	10	Sugars, sugar confectionery	Not significant
Gambia	10	Fish/Mollusks	Not significant
Ghana	10	Petroleum/Cocoa (petroleum exempted)	Significant
Guinea Bissau	10	Coconuts, Brazil nuts, cashews	Not significant
Côte d'Ivoire	21	Cocoa	Significant
Kenya	10	Apparel and clothing accessories	Significant
Lesotho	50	Apparel and clothing accessories	Very significant
Liberia	10	Rubber, diamonds, palm oil	Very significant
Madagascar	47	Apparel and clothing accessories	Very significant
Malawi	17	Tobacco/Tea/Sugar	Significant

COUNTRY	TARIFF RATE (%)	KEY EXPORTS TO US	US MARKET SIGNIFICANCE
Mauritania	10	Excavation machinery, iron pipes	Not significant
Mauritius	40	Live animals / Apparel and clothing accessories	Very significant
Mozambique	16	Precious Stones/Titanium	Not significant
Namibia	21	Pearls/Precious Stones	Not significant
Nigeria	14	Crude Oil/Gas (exempted)	Significant
Republic of Congo	10	Petroleum/Copper/Wood (petroleum exempted)	Not significant
Rwanda*	10	Coffee	Not significant
Senegal	10	Processed Fish	Not significant
South Africa	30	Precious Stones/Metal/Transport	Very significant
Tanzania	10	Coffee/Apparel	Not significant
Uganda	10	Coffee	Significant
Togo	10	Residues and waste from food industries	Not significant
Zambia	17	Precious Stones/Copper (copper may be exempt)	Not significant

Source: ITC trade Map and US Government

ANNEX D:**Table 4: Distribution of African Exports to the United States by Country (%) in 2023**

COUNTRY	SHARE OF EXPORTS TO US (%)	COUNTRY	SHARE OF EXPORTS TO US (%)	COUNTRY	SHARE OF EXPORTS TO US (%)
Ivory Coast	5%	DRC	1%	Lesotho	20%
Nigeria	10%	Kenya	10%	Madagascar	16%
Equatorial Guinea	6%	Ethiopia	12%	Mauritius	11%
Chad	2%	Tanzania	2%	Botswana	7%
Cameroon	2%	Uganda	2%	Angola	3%
Ghana	6%	Djibouti	2%	Libya	4%
Senegal	3%	Burundi	3%	South Africa	9%
Gabon	2%	Eritrea	0.1%	Algeria	6%
Togo	1%	South	0.0003%	Tunisia	4%
Liberia	3%	Sudan	3%		

Source: ITC Trade Map



 TradeMark Africa

 info@trademarkafrica.com

 TradeMark Africa

 @TradeMarkAfrica

 @TradeMarkAfrica

 www.trademarkafrica.com

 @trademark_africa