AFRICA BUSINESS LEADERS COALITION

Five Mindset Shifts to Unlock Intra-African Trade

A Perspective from African CEOs

2025

Supported by BCG

Introduction

Africa's vast promise stands at an inflection point. The continent holds most of the world's uncultivated arable land, abundant renewable energy resources, and substantial critical mineral deposits. By 2050, Africa will have the world's youngest workforce - a demographic advantage that can drive innovation and growth. In parallel, global supply chain shifts, the energy transition, the rise of artificial intelligence, and emerging industrial opportunities position Africa to redefine its role in the global economy.

Intra-African trade represents a key lever for Africa to realize this role. Through the African Continental Free Trade Area (AfCFTA), Africa can attract significant Foreign Direct Investment (FDI) and export demand (Exhibit 1). While notable progress has been achieved by the AfCFTA and growing regional cooperation, intra-African trade accounts for only a small share of total commerce and remains constrained by fragmented markets, inconsistent regulations, and inadequate infrastructure.

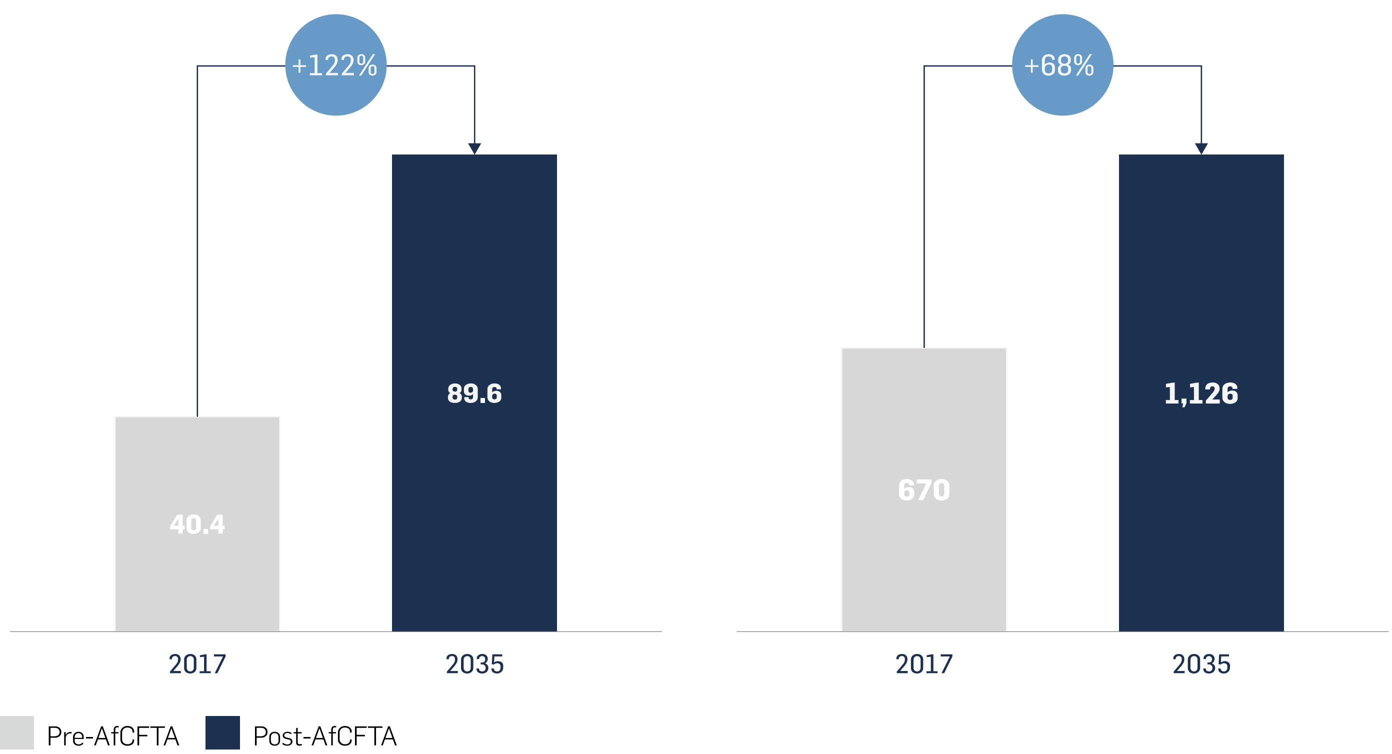
In this paper, a group of CEOs from the Africa Business Leaders Coalition (ABLC) have shared a perspective on the fundamental mindset shifts and concrete actions required to unlock intra-African trade and deliver on the vision of the AfCFTA.

Exhibit 1

The AfCFTA can be a growth engine for sustainable development in Africa

FDI into Africa, $ Bn

African exports, $ Bn



Source: World Bank

The Five Mindset Shifts

A fundamental mindset shift underpins each of the key imperatives for unlocking intra-African trade

Align on an Africa-centered growth vision and decision framework

Mindset shift 1

Synergy, not separation, will drive Africa's growth.

Foster from within, starting with priority products

Mindset shift 2

Africa can produce, not just supply.

Ease the flow of people, as well as goods

Mindset shift 3

See mobility as an opportunity, not a risk.

Build the physical conduits

Mindset shift 4

View infra-structure as networks, not monuments.

Gain early momentum, leveraging what works

Mindset shift 5

Africa's time is now, not in a decade.

Mindset shift 1

Synergy, not separation, will drive Africa's growth.

Africa's integration hinges on its nations' ability to think as an inter-connected economy.

Imperative: Align on an Africa-centered growth vision and decision framework

Continental planning should be embedded into national priorities. National strategies that are designed in isolation result in fragmented continental outcomes. Evaluating major investments and industrial policies through a continental lens can ensure that domestic priorities reinforce Africa's collective competitiveness.

> *We don't see continental collaboration as an advantage; we end up competing rather than collaborating. A national-first view is fine, but a continental prioritization should at least come second.*
>
> ***Ayman Ismail,*** *CEO, DMG*

Decision-makers need to rally around collective action; success in this effort is not viable alone or among a few. Continental integration depends on coordinated progress across regions and sectors. Scaling intra-African trade and networks will come from shared incentives, trust, and open exchange between countries rather than isolated leadership.

Complementary roles for public and private sectors require greater alignment. Governments, businesses, and development partners each bring unique capabilities. Public institutions provide coherence and stability across policy frameworks, while the private sector can contribute real-world insight, innovation, investment, and operational agility. Accelerating progress requires collaboration at the outset, rather than in sequence. At the government level, this also requires looking beyond historical differences and institutional pride to pursue what serves the continent collectively.

To advance this imperative, the AfCFTA's private sector engagement mechanisms can be redefined to promote alignment between national and continental priorities. Rapid peer-learning and progress-tracking mechanisms can be established by AfCFTA nations to share policy innovations and track coherence between national plans and continental objectives.

Africa can produce, not just supply. Africa's growth can be accelerated by serving key local markets and cultivating pride in Africa-made products.

Imperative: Foster from within, starting with priority products.

Growth in intra-African trade can be sparked through priority products, with an initial focus on those with high latent demand. Africa spends massive sums on importing goods and services that can be developed locally – particularly within the agricultural, automotive, and pharmaceutical sectors[1]. This unmet or latent demand represents consumption that is already happening but is being fulfilled outside the continent. Redirecting this spending towards local production can rapidly expand intra-African trade, create jobs, and strengthen industrial capacity. Focusing first on these priority sectors, with strong natural advantages or large existing markets, offers a pragmatic path to scale.

Developing continental value chains will bolster resilience. Regional supply chains can reduce exposure to external shocks and global policy shifts, such as carbon border adjustments. As these value chains evolve, building workforce fluency in emerging technologies, particularly artificial intelligence, will be essential to enhance productivity. Through localizing production, from raw materials to finished goods, and equipping workers with digital and AI skills, more value can be retained and multiplied across the continent.

Mini case study (2.1) | Kenya is one of the world's largest exporters of black tea. Most of its output is shipped in bulk to Europe, where global brands such as Lipton and Twinings handle blending, packaging, and branding - the most profitable parts of the value chain. This means that even when tea moves from Kenya to Nigeria, it often passes through European countries (such as the Netherlands) for value addition before returning to the continent as a finished product. To capture more value at home, Africa's tea value chain needs to deepen beyond primary production to include the downstream activities that transform a commodity into a branded, high-value product.

> *There are key value chains where we must break free of colonial thinking around exporting value addition to other continents.*
> ***Karim Dostmohamed,** General Manager, Frigoken Limited*

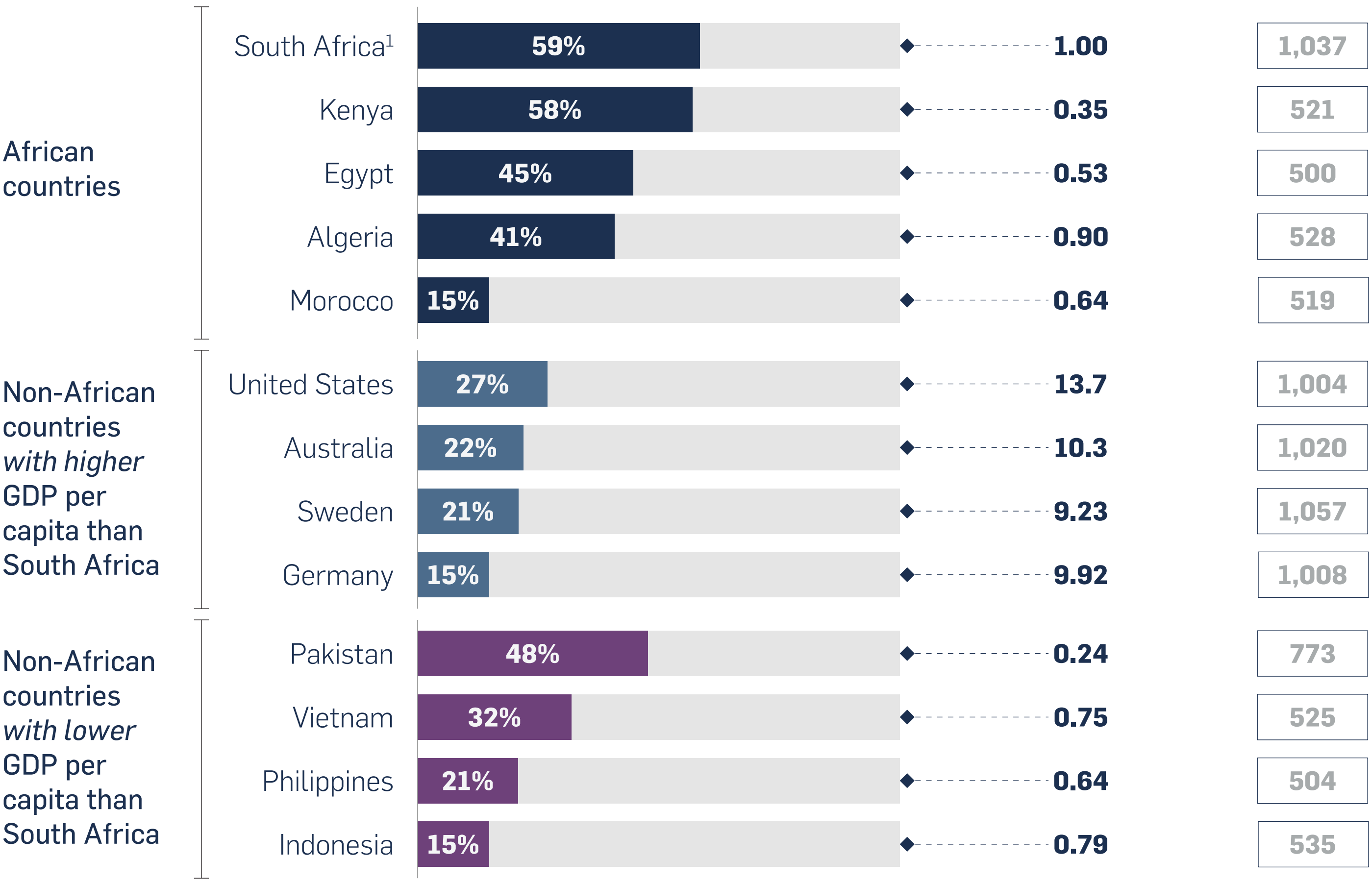
1. World Economic Forum and AfCFTA Secretariat

To drive local demand, consumers' perception of goods produced in Africa must be elevated. Consumer preference for imported goods often reflects a perception gap rather than a quality gap. Using South Africa as an example, negative perceptions of locally made products are most prevalent in more developed global economies but also exist in both developing non-African and African markets (Exhibit 2). Unlocking Africa's internal market therefore requires recognizing that African products meet global standards and deserve continental loyalty. Reinforcing this confidence will enable African consumers and businesses to see locally produced goods as both competitive and aspirational.

Exhibit 2

Addressing the perceptions of products produced in Africa is required to accelerate local uptake

Percentage of respondents, per country, indicating a positive perception about products made in South Africa in 2017, % | Ratio of GDP per capita to South Africa's | Sample size, n



1. Indicates South Africans' perceptions of goods produced in their own country
Sources: Made-In-Country Index 2017 (Statista); data.worldbank.org

Key next steps include launching pilot projects in priority sectors, such as regional automotive part production and assembly hubs, and promoting African products within African markets by aligning the African Union's "Made in Africa" initiative with continental branding and standards.

It is important that these efforts are closely linked: the "Made in Africa" initiative should highlight the same priority sectors, ensuring that, as these industries scale to meet domestic demand, perception gaps do not become barriers to uptake.

Mindset shift 3

See mobility as an opportunity, not a risk. Unlocking the seamless mobility of people, goods, & capital is a pre-requisite for trade efficiency and competitiveness in Africa.

Imperative: Ease the flow of people, as well as goods

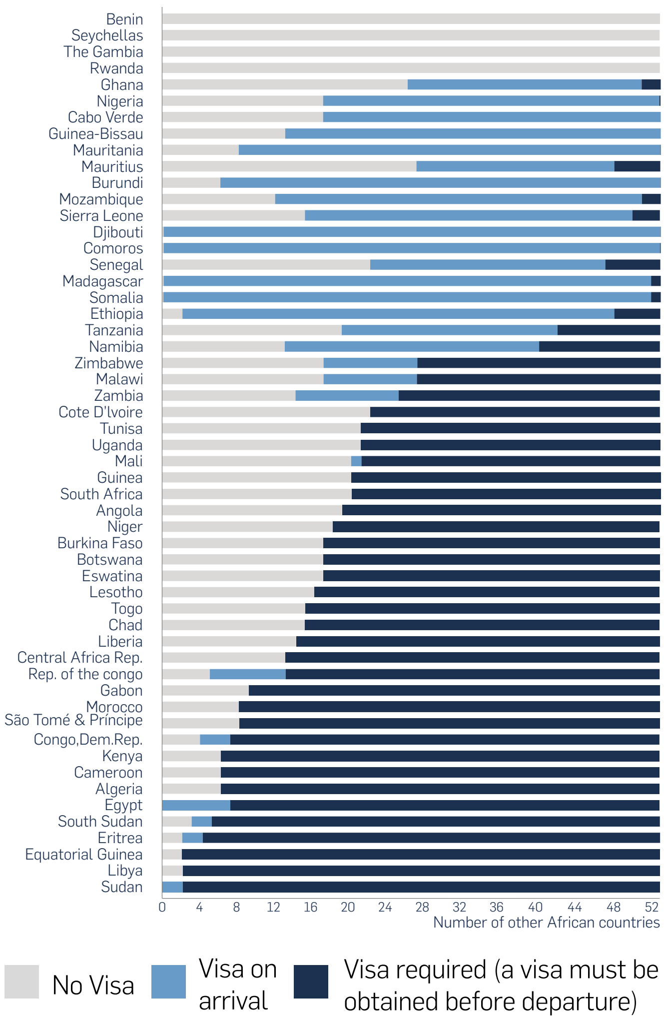
African citizens need easy access and mobility across the continent, fundamentally facilitating trade and enabling talent transfer. The mobility of African citizens across the continent remains highly administrative, with most African countries imposing strict visa requirements on each other (Exhibit 3), which are often more stringent for Africans than for visitors from other countries. Freedom of movement within borders has helped large economies, such as the U.S, European Union, India, and China to thrive - while driving collective innovation and bargaining power. Greater intra-African mobility is a 'no-brainer' and would enable companies to move talent freely between offices, incubate skills where they can flourish, and build 'pockets of excellence' in various industries. It would also fundamentally strengthen trade - the mobility of people underpins the mobility of goods, as traders, logistics operators, and service providers must move easily to keep supply chains efficient and predictable.

Mini case study (3.1) | Many African countries require business travelers to have a visa before-hand, while these same economies permit either visa on-arrival or visa-free entry for people from other continents. These African business visas are often valid for only six months, making entry onerous from both a time and cost perspective.

Exhibit 3

African citizens generally face stringent visa requirements when travelling across Africa

Entry requirements imposed by African countries on each other in 2024



Source: Africa Visa Openness Report 2024 (African Union and AfDB)

'Make the rules the same' and harmonize trade requirements throughout Africa, ensuring they are transparent and fit-for-purpose. This means aligning the policies, documentation, and product standards that govern trade so that businesses face consistent requirements across borders. Today, differences in these requirements raise costs and cause severe delays. Frequent policy changes and limited visibility into what rules apply make compliance especially challenging for SMEs, which form the backbone of the African economy.

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Policymakers need to do more to train workers at the border and help them understand the goals of intra-African trade. The person at the border is interpreting the regulations in their own way, causing inconsistencies and delays.
Ramesh Moochikal, *CEO, Africa Improved Foods*

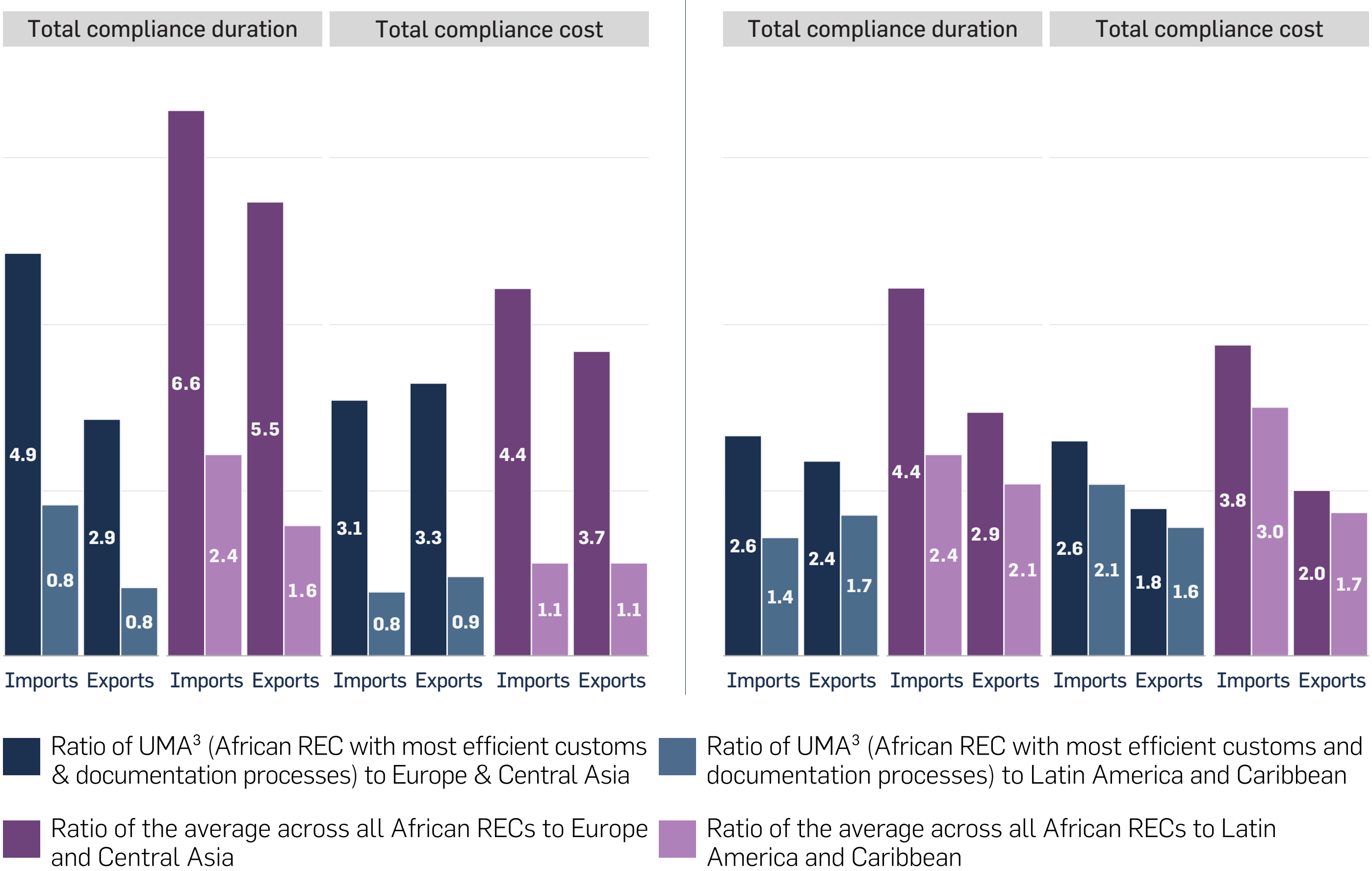
'Apply the rules more efficiently' by streamlining customs processes through both policy and operational reforms. Even where trade requirements are harmonized, borders remain slow and costly to clear if procedures are outdated or largely manual. For instance, even within the most efficient Regional Economic Communities (RECs) in Africa, the time and costs involved in clearing customs and documentation processes are often significantly higher than in other regions (Exhibit 4). Reforming customs and regional agreements to support efficiency, alongside adopting digital single-window systems, risk-based inspections, and AI for documentation processing can significantly reduce these delays and costs.

Exhibit 4

Measures to streamline customs and documentation processes are vital to accelerate intra-African trade

Ratio of total time and cost to comply with non-documentation customs processes[1] when moving goods within Africa, relative to within other regions, in 2022

Ratio of total time and cost to comply with documentation requirements[2] when moving goods within Africa, relative to within other regions, in 2022



1. Includes customs inspections, clearances, and handling; 2. Includes completion of paperwork and administrative procedures before and after goods reach the border, including obtaining, preparing, processing, and submitting documents (licenses, certificates of origin etc.). 3. Union du Maghreb Arabe (UMA) is the African REC with the most efficient border and documentation compliance processes, according to the World Economic Forum, and consists of the following African countries: Algeria, Libya, Mauritania, Morocco, and Tunisia.

Sources: World Economic Forum (Regional Action Group for Africa 2022)

To unlock liquidity for trade, financial frameworks and capital markets must be integrated. Fragmented banking, insurance, and reinsurance regulations continue to limit the flow of finance across borders. Greater regulatory alignment would make it easier to fund intra-African trade, manage cross-border risk, and mobilize local capital for investment. Integrating capital markets and payment systems can improve liquidity, enable faster settlements, and reduce reliance on hard currencies.

Mini case study (3.2) | Africa's reinsurance industry highlights how fragmented regulation constrains intra-African trade. Insurers are often barred from reinsuring across borders unless they have a local subsidiary in the other country, forcing firms to reinsure risks in Europe instead. This drives up costs and delays while outsourcing risk pricing to external markets. Greater regulatory alignment and mutual recognition would keep capital within Africa and make trade finance faster and more efficient.

To realize progress on this imperative, African governments can establish dedicated fast-track lanes for African citizens with legitimate business or professional reasons for cross-border movement. In parallel, the existing requirements (documentation and processes) need to be made clearer on the ground through quick wins, such as instruction posters in relevant languages. These actions can be complemented by webinars and training sessions to familiarize the private sector with the AfCFTA's trade facilitation tools and protocols, expanding practical know-how to accelerate consistent application across borders.

Mindset shift **4**

View infrastructure as networks, not monuments. Coordinated investment in trade-enabling infrastructure forms the backbone of regional integration in Africa.

Imperative: Build the physical conduits

Infrastructure build-outs need to be strategized to ensure they are complementary, not duplicative. Many African countries continue to build parallel infrastructure in isolation, often in proximity to existing assets, while many of the continent's transport and logistics networks still reflect colonial-era design. Corridors were built to move goods out of the continent rather than between its economies. Coordinated regional planning would reverse this legacy by creating shared networks that connect markets more efficiently, reduce the current significant cost of transporting goods across Africa, which is usually via road freight (Exhibit 5), and maximize utilization and return on investment. However, this efficiency is only realized when people can move freely across borders, enabling the shared use of infrastructure and the full economic integration such assets are intended to support.

Mini case study (4.1) | There are numerous examples of African countries constructing international airports within close proximity of a neighboring one, each serving small catchment areas instead of functioning as part of a shared regional network. For example, the Victoria Falls–Livingstone–Kasane airport cluster, spanning Zimbabwe, Zambia, & Botswana, has three international airports within roughly 100 kilometers. While national pride has its place, African countries need to take pride in collaborating with neighbors and reaping the resulting mutual benefits.

"

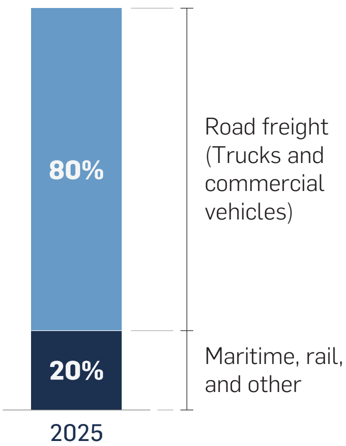
Even if African countries are not fully integrated, we need more integrated thinking.
***John Gibson,** CEO, Chobe Holdings*

Exhibit 5

Countries need to collaborate on infrastructure rollout strategies, optimizing for reduced costs of transporting goods across Africa

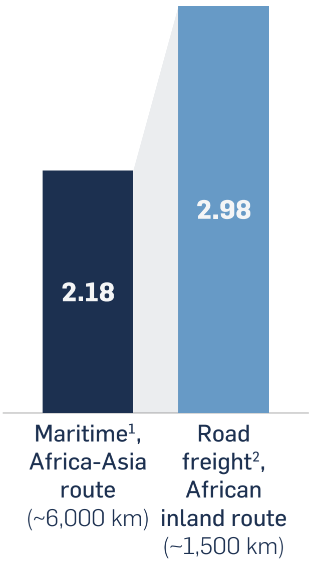
Most intra-African trade is done via road freight,...

Share of goods traded across Africa per mode in 2025, %



... with disproportionate costs...

Average cost of goods transportation between 2018 and 2021, $ '000

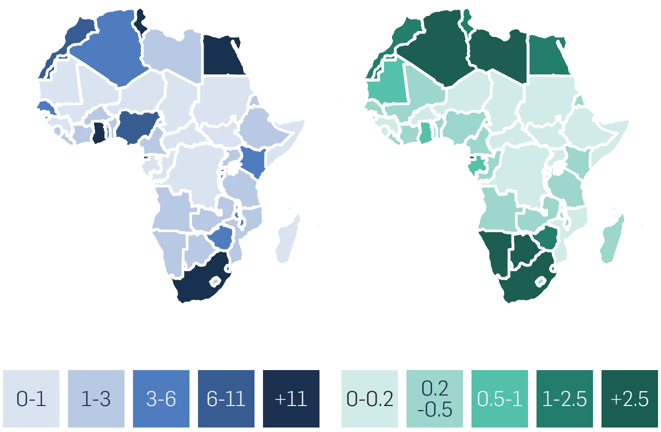


...and infrastructure deficits, calling for further buildout and strategic diversification

Paved road density in Africa in 2025

Density, km/100 km²

Density, km/'000 people²



1. Annual full container load gate-in-gate-out rates for a 40ft container; 2. Annual average road freight charges for a 22-27 tonnage container between the Port of Dar es Salaam (Tanzania) and Kigali (Rwanda) along Central Corridor.

Source: State of Africa's Infrastructure Report 2025 (Africa Finance Corporation)

Investment in supporting industries, including transport and logistics, is critical. As noted by the AfCFTA Secretariat and the World Economic Forum, complementary sectors such as transport, warehousing, and other logistics are essential to the success of cross-border trade. Limited freight capacity and inadequate storage create bottlenecks that disincentivize intra-African trade. Mobilizing African capital, blended finance, and public–private partnerships can help to close these gaps.

Mini case study (4.2) | Limited warehousing and fragmented road networks continue to constrain regional trade. An ABLC member supplying the World Food Program in 16 African countries has faced repeated product spoilage because of inadequate storage capacity and poor temperature control. For example, food sent to Burkina Faso must travel by ship from East Africa via Mombasa, Cape Town, and Nigeria before going inland - an eight-day journey through extreme temperature and humidity variations.

Here, the AfCFTA's existing initiatives should be leveraged to align infrastructure investment with real trade flows and regional priorities. Efforts can focus on mapping trade corridors, identifying overlaps, and prioritizing projects with the highest cross-border and trade-enabling value.

Mindset shift **5**

Africa's time is now, not in a decade. The vision for growth through intra-African trade will only be realized if there is imminent action.

Imperative: Gain early momentum, leveraging what works

Analysis-paralysis needs to be shaken off; small, quick wins are vital. Africa's integration efforts often stall under the weight of large ambitions and slow consensus. Big goals are justified given the continent's potential, but long timelines for change can no longer be accepted, especially as shifting global geopolitics and supply chain realignments make Africa's collective action more urgent than ever. Early, visible progress (no matter how limited in scope) will build momentum, prove feasibility, and demonstrate that Africa's transformation is possible within months and years, not decades.

"

Intra-African trade is a pressing topic. The longer we take, the more exposure we give ourselves to foreign bodies dictating business for us.

Martin Ochien'g, *Group Managing Director, Sasini PLC*

What already works should be referred to and learned from. Successful trade corridors, customs pilots, and industry clusters already exist across the continent. Scaling and replicating proven models and tools, such as the AfCFTA's Pan-African Payment and Settlement System (PAPSS), can generate quick impact while building institutional capacity for broader reforms.

"

Africa is highly diversified. When implementing initiatives in different countries, we need to engage with those who have done the work there – this will be much more productive than trying to create something new.

Phuthi Mahanyele-Dabengwa, *CEO, Naspers*

To shift the narrative on Africa's capabilities and inspire further efforts, progress needs to be publicized. Transparent communication about early wins can reshape perceptions (both inside Africa and globally), showing that the continent delivers results and learns through action.

Progressing this imperative involves adopting a "Proof of Progress" agenda under AfCFTA that focuses on rapid, replicable pilots instead of exhaustive planning cycles. A few trade corridors, customs modernization projects, and sector-specific value-chain initiatives can be selected to demonstrate results within 24–36 months. The AfCFTA Adjustment Fund and PAPSS can be used to support implementation and track performance against measurable indicators such as clearance time, trade volume, and SME participation.

The African Business Leaders Coalition's (ABLC's) Position

Strong momentum has been gained to advance intra-African trade under the robust AfCFTA framework. However, translating the vision for intra-African trade into tangible outcomes requires greater urgency and collaboration among all stakeholders, including and especially between the private and public sectors.

The ABLC is supportive of public sector efforts to advance intra-African trade.

The public sector plays a critical role in creating the enabling environment that incentivizes businesses to trade regionally, while the ABLC and broader private sector can contribute agility, innovation, and delivery capability. Closer collaboration between the private and public sector can accelerate progress, while catalyzing broader support to convert the imperatives outlined in this paper into outcomes that advance the AfCFTA's promise of a truly integrated and competitive African market.

The ABLC is willing to contribute to the identification and execution of 1-3 key initiatives that can serve as 'lighthouse projects' to demonstrate tangible progress on intra-African trade within the next 18 months. An example of such an initiative may include piloting intra-African trade along a selected corridor. Additionally, the Coalition is supportive of the following endeavors to accelerate the AfCFTA and its objectives:

- ***Increased adoption of existing AfCFTA tools.*** ABLC members can contribute to efforts to test and enhance operational tools (such as the Pan-African Payment and Settlement System (PAPSS) and the Non-Tariff Barrier (NTB) Reporting Mechanism) to help demonstrate viability, document business-user experiences, and share feedback with the AfCFTA Secretariat to improve functionality and private-sector relevance.
- *Advocation for the movement of people*. The Coalition is supportive of efforts that work towards the roll-out of an 'Africa Business Visa' (a unified, multi-country permit for verified business travelers) to accelerate objectives such as frictionless business travel and free movement of people by 2030.
- *Promotion of Made in Africa.* The ABLC can reinforce government efforts to showcase successful African brands (for example, 'Buy African, Build Africa' initiatives), strengthen consumer confidence, and advocate for policies that enhance local sourcing and production.

The ABLC looks forward to engaging and acting alongside key stakeholders, including the public sector, private sector, and the African Union Commission (AUC), to ensure Africa's full trade and growth potential is unlocked.

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