



Our Africa, Our Future: Care and Public Services under the African Continental Free Trade Area

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LIST OF ACRONYMS

AfCFTA	African Continental Free Trade Area
AU	African Union
GATS	General Agreement on Trade in Services
GDP	Gross Domestic Product
OAU	Organization of African Unity
OECD	The Organization for Economic Cooperation and Development
SAP	Structural Adjustment Programme
UN	United Nations
VAT	Value-Added Tax
WASH	Water, Sanitation and Hygiene
WTO	World Trade Organization

ABOUT THE AUTHOR

Wangari Kinoti has worked in various roles in the national, regional and international women's rights and social justice arena for 20 years. She has led work on political participation, gender-based violence, land rights, corporate accountability, extractives, unpaid labour and access to decent work, public services and social protection. Her research, analysis and ideas are anchored by African feminist analysis and informed by feminist alternatives to redistribute power and resources to address global inequalities. Wangari is engaged in the Pan-African and South/Third World feminist spaces with an interest in contributing to shaping, radical, transformative and caring futures for Africa and beyond. She is currently the Global Lead for Women's Rights and Feminist Alternatives at ActionAid International and an Associate of the Nawi Afrifem Collective.

METHODOLOGY

This paper has been compiled from desk research of available literature on the African Continental Free Trade Area (AfCFTA), the gendered impacts of global trade liberalisation and the state of public services in Africa. Insights gained from various discussions at the African Business and Human Rights Forum held in Accra in October 2022 have been incorporated into the paper. It has been revised to its final version following reviews by experts working at the intersections of trade, economic justice and feminist economic alternatives. The paper builds on *'Weaving Our Fabric: Framing an African Feminist Public Services Agenda'* by the same author and presents a set of considerations on what the AfCFTA may mean for the prospect of gender-transformative public service delivery on the African continent.

BACKGROUND

In August 2022, the African Union (AU) launched its #AU20 'Our Africa, Our Future' campaign to celebrate Pan-African solidarity and its achievements over the 20 years since its launch. The AU was established by the Sirte Declaration of 1999¹ replacing the Organisation of African Unity (OAU) created in 1963. The OAU was the result of a compromise between what came to be known as the Casablanca and Monrovia Groups – two of several groupings that came about after the independence of various countries in the 1950s and all of whom shared a desire for a united Africa but differed on what that might look like and the related modalities. Broadly speaking, the Casablanca Group favoured a politically united federation of African States and the Monrovia Group leaned more toward a looser alliance based on gradual economic cooperation.² The OAU was eventually agreed upon by 32 independent states in Addis Ababa in 1963. The Union was later launched in Durban in 2002, with the Sirte Declaration calling for the creation of an organisation that would accelerate integration on the continent and enable Africa play a greater role in the global economy while addressing social, economic and political challenges with African solutions.³ There was consensus among African leaders that 'in order to realise Africa's potential, there was a need to refocus attention from the fight for decolonisation and apartheid, which had been the focus of the OAU, towards increased cooperation and integration of African states to drive Africa's growth and economic development'.⁴ Given this position, the continent continues to be relegated in the global political economy; many might agree that decolonisation should have remained at the top of the agenda for the refurbished union.

Among the notable aims spelt out in the Sirte Declaration include:

- The defence of the sovereignty, territorial integrity and independence of its Member States;
- Accelerating the political and socio-economic integration of the continent and promoting democratic principles and institutions, popular participation and good governance;
- Protecting human and peoples' rights in accordance with the African Charter on Human and People's Rights (ACHPR)⁵ and other relevant human rights instruments;
- Ensuring the effective participation of women in decision-making, particularly in the political, economic and socio-cultural areas.⁶

1 https://archives.au.int/bitstream/handle/123456789/10157/1999_Sirte%20_Decl_%20E.pdf?sequence=1&isAllowed=y

2 <https://www.twn.my/title2/resurgence/2013/278/cover01.htm>

3 <https://au.int/en/pressreleases/20220808/commemoration-20th-anniversary>

4 <https://au.int/en/overview#:~:text=Defend%20the%20sovereignty%2C%20territorial%20integrity,Encourage%20international%20cooperation>

5 <https://www.achpr.org/legalinstruments/detail?id=49>

6 <https://au.int/en/overview#:~:text=Defend%20the%20sovereignty%2C%20territorial%20integrity,Encourage%20international%20cooperation>

The universal and equal rights to life, integrity and security of the person (including the right to freedom from violence and harmful practices) access to justice, education, economic and social welfare, health (including sexual and reproductive health), food security, housing and a healthy and sustainable environment are enshrined in both the ACHPR and the Maputo Protocol on the Rights of Women in Africa.⁷

*'Agenda 2063: The Africa We Want'*⁸ is the blueprint and master plan of the AU and the African Continental Free Trade Area (AfCFTA). This ambitious flagship project, if implemented as envisioned, will be the biggest free trade area in the world connecting 1.2 billion people and covering 55 countries.⁹ Many aspects of the AfCFTA constitute the Pan Africanist dream of prioritising intra-African trade, moving away from externally shaped and focused trade¹⁰. The colonial infrastructure was designed to take goods out of the interior to the ports and out of the continent to the North. This potentially renders the colonial borders meaningless, with the free movement of people, facilitated by related projects like the Single African Passport¹¹ and the Single African Air Transport Market.¹² All this is entirely African-driven and is an instrument of solidarity and connection between the African people. It all sounds wonderful until we face the sobering reality that the AfCFTA is likely more inspired by northern-driven neoliberal models of trade liberalisation, than the social and political philosophies for a concrete manifestation of the Pan-African drive for unity, self-determination, freedom, progress and collective prosperity pursued under Pan-Africanism and African Renaissance' as promised by Agenda 2063. Furthermore, questions remain about how African the AfCFTA is considering, as one example, that technical advice and financial support for some of its critical elements have come from the main German development agency (GIZ) and the European Union (EU).¹³

But that is not all. This ambitious economic project targets a diverse continent, with members of the AfCFTA including both resource-rich and resource-poor countries with a mixture of low, lower-middle, upper-middle and high-income countries. Africa south of the Sahara is home to over 1 billion people and it is estimated that by 2050 half of the population will be under 25 years old.¹⁴ An estimated 34 per cent of households on the continent are classified as being below the international poverty line.¹⁵ Food security, key to the very survival of people, remains a major concern across the continent. As the AfCFTA kicks into gear, the vast majority

7 https://au.int/sites/default/files/treaties/37077-treaty-charter_on_rights_of_women_in_africa.pdf

8 <https://au.int/en/agenda2063/overview>

9 <https://www.youtube.com/watch?v=zIhe6DN0hGE>

10 The colonial infrastructure was designed to take goods out of the interior to the ports and out of the continent to the North

11 <https://www.theafricareport.com/150265/aus-failure-to-ratify-protocol-for-african-passport-stalls-free-movement-for-citizens/>

12 https://au.int/sites/default/files/newsevents/workingdocuments/33100-wd-6a-brochure_on_single_african_air_transport_market_english.pdf

13 <https://www.giz.de/en/worldwide/59611.html>

14 <https://www.worldbank.org/en/region/afr/overview>

15 https://unctad.org/system/files/official-document/aldcafrica2021_en.pdf

of countries in Africa south of the Sahara are experiencing high food prices, with the population allocating over 40 per cent of total spending on food. As of July 2022, 29 of 33 countries in Africa south of the Sahara had inflation rates over five per cent, while 17 countries had double-digit inflation.¹⁶ In 2021, one out of three women on the continent experienced moderate or severe food insecurity.¹⁷ In 2022 alone, droughts following four consecutive failed rainy seasons left 18.4 million people at risk of starvation in parts of Ethiopia, Kenya and Somalia.¹⁸ Debt distress is a common theme across Africa with projections in 2022 putting it at 59.5 per cent of gross domestic product (GDP) in countries south of the Sahara. In the previous year, African governments spent 16.5 per cent of their revenues servicing external debt, a steep increase from less than 5 per cent in 2010.¹⁹

The blend of the remarkable ambitions of the AU, Agenda 2063 and the AfCFTA as well as the complicated economic realities of AU member states raises some urgent questions. Among them is the question of whether there are social goals for the AfCFTA. How will the AfCFTA account for the stark inequalities across the continent? Does, could and will it promote, maintain or erode gender equality? The aim of this paper is to offer a set of considerations, from an African feminist perspective, regarding the AfCFTA and the state of and potential for public services across the AU Member States. The focus on public services is informed by African feminist assertions on the centrality of universal, gender transformative, quality public services in tackling wide-ranging gender inequalities and restoring dignity to the lives of African people. It aims to surface questions about whether and how the AfCFTA can contribute to an African Future that is Public - by people, for people – centred on care and well-being.

16 <https://www.worldbank.org/en/news/press-release/2022/10/04/african-governments-urgently-need-to-restore-macro-economic-stability-and-protect-the-poor-in-a-context-of-slow-growth>

17 <https://www.unwomen.org/en/digital-library/publications/2022/09/progress-on-the-sustainable-development-goals-the-gender-snapshot-2022>

18 <https://www.unwomen.org/en/digital-library/publications/2022/09/progress-on-the-sustainable-development-goals-the-gender-snapshot-2022>

19 <https://www.worldbank.org/en/region/afr/overview>

1.0 STATE OF PLAY: CONTEMPORARY PUBLIC SERVICE REALITIES

1.1 An African Feminist Public Services Framing: **Centring Ubuntu, Solidarity, Care and Wellbeing**

To begin, it is important to expound on why it is important to spotlight public services in the context of Agenda 2063 and the AfCFTA. The first aspiration of Agenda 2063 is a prosperous Africa, based on inclusive growth and sustainable development. Its accompanying goals include a high standard of living, quality of life and well-being for all citizens, well-educated, healthy and well-nourished citizens and transformed environmentally sustainable and climate-resilient economies. It sets out some key priorities such as incomes, jobs and decent work, modern and liveable habitats, quality basic services, as well as social security and protection. Under a separate aspiration on people-driven development, it ranks women's and young people's empowerment and addresses violence and discrimination against women and girls as priority areas.²⁰ Public services are critical across all these aspirations, goals and priorities yet they rarely feature in detailed discussions on the future of the continent.

Table 1 **ACCESS TO PUBLIC SERVICES IN AFRICA: A SNAPSHOT**

48 % of Africa's citizens have access²¹ to the healthcare they need²²

615 million people are without access to the healthcare they need²³

28 % of clinics and hospitals have reliable electricity²⁴

49 % of women and girls with access to modern family planning²⁵

56 % of people living in urban areas have access to piped water²⁶

11 % of urban dwellers have a sewer connection ²⁷

20 <https://au.int/en/agenda2063/goals>

21 This figure does not account for the quality of healthcare. If this were considered, then the figure would be much lower

22 <https://ahaic.org/download/executive-summary-the-state-of-universal-health-coverage-in-africa/>

23 <https://ahaic.org/download/executive-summary-the-state-of-universal-health-coverage-in-africa/>

24 <https://www.unwomen.org/en/digital-library/publications/2022/09/progress-on-the-sustainable-development-goals-the-gender-snapshot-2022>

25 Ibid

26 https://www.oecd.org/water/GIZ_2018_Access_Study_Part%20I_Synthesis_Report.pdf

27 https://www.oecd.org/water/GIZ_2018_Access_Study_Part%20I_Synthesis_Report.pdf

How public services are designed and delivered has far-reaching impacts, particularly for women and various structurally excluded groups. *'Weaving Our Fabric: Framing an African Feminist Public Services Agenda'*,²⁸ builds on decades of African feminist analysis. It provides a conceptual framework from which to reflect on; it also describes and responds to Africa's cultural, social and economic geopolitical landscapes and the diversity of its realities. It posits that it is necessary to have this framing to do the deconstruction and reconstruction necessary to centre Africa and its people and reclaim our collective humanity and dignity.

It identifies the following six interwoven threads for an African feminist public services agenda:

- 1. Reclaiming ubuntu**, which is a widely recognised philosophy across the continent covering several aspects of wellbeing, community and humanness. It is closely related to the care that sustains households, communities and the earth.
- 2. States are answerable to people**, including structurally excluded and marginalised people. People come first and are at the centre.
- 3. Address exclusion and advance justice** by radically transforming what public services look like and how they are delivered, working from their potential to dismantle neo-colonial, patriarchal, racist, classed and heteronormative inequalities.
- 4. Reject the commodification of dignity** through any attempts towards privatisation of services.
- 5. Value for public sector workers**, with a particular focus on women public sector workers, addressing violence and harassment in the world of work and gender pay gaps.
- 6. Public money works for the public** by ending austerity, debt distress, corruption and illicit financial flows and by rising public financing for public services through progressive taxation.

Apart from centring ubuntu, solidarity and collective well-being, the framing includes an emphasis on universality, quality, publicness and decent work.

Public services are essential for just, equal and inclusive societies and a life of dignity, which aligns with the aspirations of Agenda 2063. Yet, as African feminists continue to stress, millions of Africans remain without access to basic services due to public spending being increasingly

²⁸ Nawi, FEMNET. *Weaving Our Fabric: Framing an African Feminist Public Services Agenda*. December 2022

replaced by privatisation, amounting to the commodification of those services and subjecting them to market rules. Without state-provisioned energy, transport, healthcare, education and others, unemployed, working class and agrarian households simply cannot survive or live lives of dignity.²⁹ There can be no turnaround in the continents' socio-economic fortunes without the care economy being accorded its rightful economic, social, political and cultural value. This includes recognising that the provisioning of care in households and the economy is done through women's unpaid and domestic labour and through the 'informal' (preferred term is popular or horizon) sector, migrant and public sector jobs that are precarious, badly paying and lack labour protection.³⁰

Feminist economists have consistently explained that hidden in macroeconomic data, national accounting and concepts such as GDP are biases about which activities are considered important and worth measuring, and which ones are not. Those activities regarded as 'women's work' belong in the latter category. The time women spent on unpaid care work in Africa was already almost three and half times more than that of men before the Covid 19 pandemic, with overwhelming evidence of increased unpaid workloads globally once the pandemic hit.³¹ It has been estimated that the monetary value of unpaid care work done globally by girls and women aged 15 and over is at least \$10.8 trillion annually –three times the size of the world's tech industry.³² Universal, quality, gender transformative, publicly- funded and delivered public services would reduce household burdens, redistribute unpaid care and domestic labour and provide decent care and other public sector jobs.

1.2 Intersections with Global Care and Public Services Campaigns

There are two ongoing global social justice campaigns incorporating various African and Global South feminist movements, that foreground gender transformative public services as critical to us standing a chance of emerging from the multiple and interlinked global crises we are collectively facing.

The first campaign, through a *Care Manifesto*³³, is around '*Rebuilding the Social Organisation of Care (RSOC)*'. It recognizes that, globally, how care needs are currently met - whether it is through unpaid and (under) paid care work, whether through public or private provisioning or community-based

29 <https://femnet.org/2020/07/african-feminist-post-covid-19-economic-recovery-statement/>

30 Ibid

31 UN Women. 'Whose Time to Care? Unpaid Care and Domestic Work during Covid 19'. New York: UN Women. https://data.unwomen.org/sites/default/files/inline-files/Whose-time-to-care-brief_0.pdf

32 Oxfam, 2020. 'Time to Care: Unpaid and Underpaid Care Work and the Global Inequality Crisis'. Oxford: Oxfam GB for Oxfam International <https://oxfamilibrary.openrepository.com/bitstream/handle/10546/620928/bp-time-to-care-inequality-200120-summ-en.pdf>

33 <https://publicservices.international/resources/campaigns/care-manifesto-rebuilding-the-social-organization-of-care?id=11655&lang=en>

arrangements - is fundamentally unbalanced, unequal and ultimately unsustainable. As they currently stand, global care chains force women, primarily from the Global South, to fill the care gap through unpaid work and precarious work conditions - in both public and private contexts.³⁴ This injustice is multiplied in the case of women who experience multiple and intersecting forms of discrimination because of their class, nationality, ethnicity, sexual orientation gender identity, disability, age, migrant status and other factors. Among other things, the campaign calls for is the reclamation of the public nature of care and the restoration of the primary responsibility of the State to provide gender-transformative public care services and by addressing its capacity to finance those services.

The second campaign underscores the centrality of 'publicness' in public services. Through its *'The Future is Public: Global Manifesto for Public Services'*^{35 36} it advances a series of principles for universal, quality and public services. Among other things, it emphasises that public services are owned by people, for people; they are collectively and democratically determined and they deliver common and collective goods, including the protection of the commons.³⁷ However organised the State and other public bodies bear ultimate responsibility and obligation, being democratically and publicly mandated - this is not a benevolent or charitable endeavour, but a collective public system' to ensure that States fulfil their human rights obligations.³⁸ Another major focus of the Manifesto is the criticality of fiscal and policy space to fund public services. Here, the focus is on the importance of the domestic mobilisation of public resources to finance public services. The ability of many States to do this has been systematically undermined by *'unfair trade agreements, unsustainable and illegitimate debt, tax abuse by multinational corporations, tax havens, loan conditionalities and coercive policy advice leading to austerity measures, and a lack of democratic and inclusive decision-making on global economic and tax governance.'*³⁹ This campaign has produced the Santiago Declaration for Public Services.⁴⁰

1.3 Privatisation and the Hollowing out of the State

The role of the State in Africa has effectively been consistently hollowed out since the introduction of Structural Adjustment Programmes (SAPS). SAPS, the conditional lending programmes in the 1980s and 1990s of International Financial Institutions (IFIs), including the International

34 Ibid

35

36 <https://futureispublic.org/wp-content/uploads/2021/10/Future-is-Public-Global-Manifesto-for-public-services.pdf>

37 Ibid

38 Ibid

39 Ibid

40 <https://peopleoverprof.it/resources/news/our-future-is-public-santiago-declaration-on-public-services?id=13578&lang=en>

Monetary Fund (IMF) and the World Bank (and later enforced by the liberalisation approaches of the World Trade Organisation), imposed several policies that have been grossly defective in addressing endemic poverty and underdevelopment.⁴¹ These policies include liberalising and deregulating economies, cutting back government expenditure, reducing subsidies, privatising basic services (including by introducing user fees), lowering public sector wages and reducing employment protections.

Trade liberalisation under SAPs worsened Africa's balance of payment problems and resulted in the net transfer of funds from Africa to the North in the form of debt servicing and the repatriation of corporate profits.⁴² Whether privatisation is good or bad depends on who you ask - there is some evidence that it benefits urban middle-class households through improvements in the quality of services, and that it boosts profitability for companies⁴³. However, there is no evidence of these kinds of improvements among poor urban and rural households and communities. On the contrary, there are several debunkable assertions made in support of private sector involvement and market-driven approaches in the delivery of essential services. One is that private provision helps balance budgets - in reality, governments use incentives, like tax breaks and guarantees, to attract private sector firms. Second, is that the private sector 'invests' in public services - the truth is that actual private investment in public utilities continues to decline and governments largely carry the same financial burdens; private investment is contingent on profit guarantees and shifts the financial risk to taxpayers or consumers. Third, is that private providers improve the performance of services - here there is no guarantee as the record ranges from improvement to disaster; additionally, public sector corruption is matched by corporate scandals in private provisioning (and beyond!).⁴⁴ The analysis highlights the importance of anticipating the social and economic impacts of policies that cannot be reversed, including any commitments that could permanently restrict governments' ability to regulate or subsidise public services. Privatisation, in whichever form it takes, forces women who are household primary caregivers and already the continent's poorest, to either stretch their meagre resources to pay user fees or out-of-pocket payments to access services or borrow to do so, often resulting in unsustainable debt for individuals and households. It has been shown that the poorest households carry the heaviest health-spending burdens and women's out-of-pocket expenditure is systematically higher than that of men at least in part because of the high financial burden related to and paying for delivery care and other reproductive services.⁴⁵ The privatisation of water has led to price hikes,

41 Thandika Mtandawire and Charles C. Soludo, 1998. 'Our Continent Our Future: African Perspectives on Structural Adjustment.' Dakar: Council for the Development of Social Science Research in Africa. <https://idl-bnc-idrc.dspacedirect.org/bitstream/handle/10625/25742/IDL-25742.pdf>

42 Dzodi Tsikata Gender and trade in Africa: Towards an agenda for gender equity in trade policies, agreements and outcomes. Report on Gender And Trade In Africa Commissioned by UN Women February 2012, Accra.

43 https://unctad.org/system/files/official-document/gdsmdpbg2420047_en.pdf

44 See www.undp.org/sites/g/files/zskgke326/files/publications/GCPSE_Efficiency.pdf and <https://newint.org/features/2018/05/01/the-private-sector-efficiency-myth>

45 https://dawnnet.org/wp-content/uploads/2022/04/DAWN-DP-25_MEDICAL-EQUIPMENT-LEASING-IN-KENYA_NEO-COLONIAL-GLOBAL-FINANCE-AND-MISPLACED-HEALTH-PRIORITIES.pdf

deepening inequality, negative health outcomes and malnutrition, all the while increasing women's unpaid care and domestic work burdens.⁴⁶

Table 2:

Household health spending: heaviest burden is on poor households and women⁴⁷

A study of health spending in 12 counties in Kenya in 2014/2015 found that on average, the biggest source of finance for health spending was households at 37.3 per cent followed by county governments at 36.4 per cent. Donors and corporations contributed 16.3 and 10.1 per cent respectively. Household health spending primarily takes the form of out-of-pocket payments - direct payments made by individuals to healthcare providers at the time-of-service use.

Out-of-pocket payments for public services put a strain on household budgets and increases household debt risk. Critically, these payments put severe limits on whether poor households can afford to access healthcare at all. Studies have shown that the highest household health spending occurs in the lowest income percentile, meaning that the poorest households spend the most money on healthcare.

Women's out-of-pocket expenditures are systematically higher than men's; this is attributed in part to the high expenditures related to their maternal and wider reproductive health. It can also be attributed to their caring roles - taking care of children, spouses and elderly family members, including taking them to health facilities.

⁴⁶ <https://femnet.org/wp-content/uploads/2021/04/AfCFTA-Paper-Policy-Brief-English-2.pdf>

⁴⁷ See https://dawnnet.org/wp-content/uploads/2022/04/DAWN-DP-25_MEDICAL-EQUIPMENT-LEASING-IN-KENYA_NEO-COLONIAL-GLOBAL-FINANCE-AND-MISPLACED-HEALTH-PRIORITIES.pdf

2.0 GLOBAL LESSONS: FEMINIST PERSPECTIVES ON TRADE LIBERALISATION AND PUBLIC SERVICES

With a seven-country⁴⁸ trial phase of AfCFTA underway it is imperative to draw from the wealth of global feminist analysis of trade liberalisation and trade policy with, for this paper, a focus on potential critical outcomes for public provisioning of basic services. Article 3 of the AfCFTA agreement contains an objective around promoting and attaining sustainable and inclusive socio-economic development, gender equality and structural transformation of the State Parties. Beyond that (and a reference in the preamble to gender equality) there is not much detail on how the AfCFTA is intended to contribute to gender equality.

2.1 Gendered impacts of trade policy

The direct impacts of trade have been described⁴⁹ as threefold: (1) employment (2) income and revenue and (3) prices. There are also indirect impacts on income distribution – trade can exacerbate or mitigate poverty.⁵⁰ Trade agreements are not gender-neutral; they can threaten the common good and actively exacerbate gender inequalities. Trade liberalisation is part of wider economic and social policy and these are known to impact social groups in disparate ways. This arises from pre-existing inequalities that policy (especially ‘gender blind’ policy) can exacerbate or extend in new directions.⁵¹ Some social groups are affected more than others, and, critically, they experience policies differently and respond in different ways. Below are a few examples of how trade policies have been found to impact women:

2.1.1 Women producers and traders exposed to unfair competition

Trade policy that liberalises tariffs exposes women producers and traders (the majority of whom are in the informal/popular economy) to unfair competition through the dumping of cheap products onto the market. A study⁵² from West Africa found this to be the case when it came to the World Trade Organisation (WTO) policy-related food and agriculture international trade liberalisation, affecting domestic production and reducing the incomes of domestic farmers and other parties in the food production chain.

48 Covering Cameroon, Egypt, Ghana, Kenya, Mauritius, Tanzania and Tunisia

49 https://www.sarpn.org/documents/d0002648/Gender_trade_Williams_Jun2007.pdf

50 Ibid

51 Dzodi Tsikata Gender and trade in Africa: Towards an agenda for gender equity in trade policies, agreements and outcomes. Report on Gender And Trade In Africa Commissioned by UN Women February 2012, Accra

52 <https://www.intechopen.com/chapters/71866>

2.1.2 Removal of trade taxes transfers labour and costs to women

Trade liberalisation produces cuts to or reversals on public spending and reduces the public sector, severely limiting governments' ability to fund public services. This happens primarily through the removal of trade taxes⁵³ such as tariffs that provide important revenues for governments, particularly in economies with underdeveloped tax systems and where tax incentives are used to drive foreign direct investment.⁵⁴ This ends up transferring extra labour and costs to women - through unpaid care and domestic work, and out of pocket payments for services. Reductions in subsidies, public wages and social protection disproportionately impacts women as they are more likely to claim social welfare payments, use public services and be employed by the public sector.⁵⁵

2.1.3 Increases in indirect taxes disproportionately affect women

Compounding the impact of reduced public spending is the tendency of governments to use indirect taxes, such as value-added tax (VAT) to recover lost revenue. This also has a disproportionate impact on women in poor households who spend the highest share of their income on the basic goods on which VAT is typically levied on.⁵⁶

2.1.4 Cuts in public services affect access to and quality of basic services including those needed by women traders

Cuts or reversals affecting public services and the public sector, arising from trade policy, impact women's access to reproductive health services through higher costs and lower quality of services and shortages of health staff due to increased out migration.⁵⁷ Cuts in public services also directly affect small-scale traders by reducing access to basic infrastructure such as electricity, transport, storage, water and sanitation, security and market infrastructure. This affects women disproportionately due to their concentration in the popular (informal) including in cross-border trade.

⁵³ It is important to consider the contribution of trade taxes to a country's total tax revenue mix. One study found that across 26 African countries, the average was 11.8 per cent. Disaggregated down to the country level at least four countries more than double this (Uganda, Togo, Mauritania, Cote d'Ivoire) while a further 12 were between 10 to 20 per cent. All ten of the LDCs within this data set were above the average. See <https://www.nawi.africa/the-african-continental-free-trade-area-afcfra-and-women-a-pan-african-feminist-analysis>; The UN Conference on Trade and Development (UNCTAD) reports that in Africa south of the Sahara, trade taxes account on average for 25 per cent of government revenue.

⁵⁴ Free Trade Agreements or Women's Human Rights? Kate Lappin
This paper was first published in Strategic Review, Jan-March 2018 without referencing.
Kate Lappin

⁵⁵ Free Trade Agreements or Women's Human Rights? Kate Lappin
This paper was first published in Strategic Review, Jan-March 2018 without referencing.
Kate Lappin

⁵⁶ Gender and Development Network, Making Trade Work for Gender Equality, 2017

⁵⁷ <https://www.icrw.org/wp-content/uploads/2016/10/Trade-Liberalization-and-Reproductive-Health.pdf>

2.1.5 Women are pushed into precarious jobs with low wages and poor working conditions

Trade liberalisation increases market access for exporters; this could mean an increase in women's employment in export-oriented labour-intensive manufacturing jobs (this is not the case where exports consist of primary products). However, it is essential to look at the quality of jobs. Trade liberalisation can lead to the concentration of women, who are already overrepresented in precarious work, in jobs with low pay and bad labour conditions. Expanded value chains arising from trade and investment deals can and do create many jobs for women but the jobs are notoriously poor quality, dangerous, rampant with violence and harassment and fall short of decent work standards.⁵⁸ Additionally, the public service sector has been associated with more highly skilled and waged jobs for women. The privatisation of public services, under trade liberalisation (as is the case under structural adjustment programmes), means that women are shed from the public sector and new jobs, such as in healthcare and education, tend to be characterised by lower wages and increasingly casual, temporary, or contractual labour with few benefits.⁵⁹

2.2 Lifting of Trade Taxes (Tariffs)

Tariffs are custom duties on merchandise imports, levied either on an *ad valorem* basis (percentage of value) or a specific basis (e.g., \$7 per 100 kg).⁶⁰ Tariffs can create a price advantage for similar locally produced goods and, crucially, raise government revenues. It is necessary to 'zoom in' on tariffs as they directly impact government revenues and therefore the public financing available for goods, services and infrastructure, including those that could address gender inequalities and improve outcomes for women and girls.

There is little agreement on what the actual impact of the lifting of tariffs under AfCFTA is likely to be. The AU and the UN Economic Commission for Africa (UNECA) noted in the early stages of AfCFTA planning, that State Parties' high dependence on customs revenues, would pose a challenge for the continental agreement, as already witnessed with sub-regional agreements.⁶¹ On the other hand, the World Bank argues that any revenue losses related to tariff elimination will be offset in the longer term by increased tax revenues from economic growth.⁶² Meanwhile, the OECD posits that because trade revenues were already decreasing, and due to low integration, current intra-African trade revenues remain low; the impact of removing tariffs will be minimal even in the short term.⁶³

58 https://www.actionaid.org.uk/sites/default/files/publications/from_rhetoric_to_rights_towards_gender_just_trade_actionaid_policy_briefing.pdf

59 https://fpif.org/gats_and_women/

60 <https://sdgpulse.unctad.org/glossary/tariffs/>

61 <https://femnet.org/wp-content/uploads/2021/04/AfCFTA-Paper-Policy-Brief-English-2.pdf>

62 Ibid

63 Ibid

In a media interview, the Secretary General of the AfCFTA Secretariat emphasised on the importance of women and youth participating in free trade as they are the drivers of the African economy. Women-owned Small and Medium Enterprises (SMEs), he said, account for close to 60 per cent of Africa's GDP thereby creating about 450 million jobs. Young Africans are at the cutting edge of technological advancements.⁶⁴ He describes the prospect of not including women and young people in the implementation of AfCFTA as a 'catastrophic mistake' and alludes to the negotiation of a protocol on women and young traders to dispel perceptions that the trade agreement is to benefit only elites.⁶⁵ When asked the important question of government revenue losses and their effects on government budgets, the Secretary-General raised the issue of an AfCFTA Adjustment Facility (in partnership with Africa Export-Import Bank - Afreximbank). The fund, will however, not go towards budget support but instead to 'specific value chains in specific productive sectors of the economy, for example, textiles and agro-processing'.⁶⁶ He called for a change of mindset to look at tariffs, not as a revenue-generating tool but as a tool for industrial development.⁶⁷

In February 2022, the AfCFTA Secretariat and Afreximbank signed an Agreement relating to the management of the Base Fund of the AfCFTA Adjustment Fund.⁶⁸ The fund is to provide support to State Parties and the private sector through financing, technical assistance, grants and compensation funding to help mitigate revenue losses and competitive pressures that may result from a reduction in tariffs and liberalisation of markets.⁶⁹ Overall, there seems to be a disconnect between the real threat of government revenue losses and the effect of this on government budgets (and therefore the provision of public services) and the adjustment facility of the AfCFTA.

64 <https://www.un.org/osaa/news/what-afcfta-holds-women-and-youths-2022>

65 Ibid

66 Ibid

67 Ibid

68 <https://www.afreximbank.com/afcfta-secretariat-and-afreximbank-sign-an-agreement-for-the-management-of-the-afcfta-adjustment-fund/>

69 Ibid

2.3 Services Liberalisation

Alongside some of the concerns listed above, in looking at the possible impacts of the AfCFTA on public services, it is important to look at the issue of trade in services. The AfCFTA protocol on trade in services has prioritised five sectors for liberalisation: business services, communication services, financial services, tourism services and transport services.⁷⁰ However, this is regarded as the first phase of services liberalisation meaning that subsequent negotiations could open up all other service sectors.⁷¹

Afronomics law has looked at the possible outcomes of the liberalisation under the AfCFTA of water, sanitation and hygiene (WASH) services. It finds that the liberalisation of WASH services under the protocol would essentially result in human rights concerns related to accessibility, control of water resources and protection of water quality.⁷² For example, liberalisation could mean that the poor and marginalised populations, who already lack adequate access to WASH, are exposed to competition from high-end users, including from other AU member states who are willing and able to pay more for water.⁷³

There is the additional and useful concept of 'virtual water' which is the amount of water 'embedded' in a product⁷⁴ or the water utilised in the production of goods and services.⁷⁵ When goods, products and services are traded, the water used (or contaminated) to produce them is essentially also traded. This is a critical concern when it comes to both water quality and local control of water services, especially because the liberalisation of services almost always means the introduction of private property rights over water resources and the elimination of regulatory barriers through deregulation. Regulations could relate to costs, licensing requirements, environmental impacts, health standards, competencies of the provider, accessibility and technical standards. A related concern is around the potential exposure to the foreign competition of the informal sector (of which women are an integral part) which is currently bridging the gap in WASH services, particularly in many urban areas across Africa.⁷⁶ Although Article 18 of the AfCFTA Protocol allows for State Parties to introduce new regulations on services and services suppliers within their territories "in order to meet national policy objectives", this comes with the rider that this is "in so far as such regulations do not impair any rights and obligations arising under this Protocol." It remains unclear what this

70 <https://au-afcfta.org/trade-areas/trade-in-services/#:~:text=The%20AfCFTA%20Protocol%20in%20Trade,Negotiations%20under%20the%20AfCFTA%20Protocol>

71 <https://www.afronomicslaw.org/2020/05/28/human-rights-compatibility-of-trade-in-wash-services-in-the-african-continental-free-trade-area>

72 Ibid

73 Ibid

74 <https://www.tandfonline.com/doi/full/10.1080/02508060.2018.1515564>

75 <https://www.afronomicslaw.org/2020/05/28/human-rights-compatibility-of-trade-in-wash-services-in-the-african-continental-free-trade-area>

76 Ibid

means in practical terms. Equally ambiguous, in Article 3 (2) (e), is the obligation of State Parties to progressively liberalise trade in services across the African continent based on equity, balance and mutual benefit, by eliminating barriers to trade in services. How can this happen when liberalisation has been found to, in fact, cause significant reversals or stunting when it comes to promoting equity, balance and mutual benefit?

Table 3:
AfCFTA Trade in Services Priority Sectors

Sector	Categories
Business Services	<ul style="list-style-type: none"> • All Professional Services • Computer and Related Services • Research and Development Services • Real Estate Services • Rental/Leasing Services without Operators • Other Business Services
Communication Services	<ul style="list-style-type: none"> • Postal services • Courier services • Telecommunication services • Audio-visual services • Others
Financial Services	<ul style="list-style-type: none"> • All insurance and insurance-related services • Banking and other financial services • Other Financial Services
Tourism Services	<ul style="list-style-type: none"> • Hotels and restaurants (including catering) • Travel agencies and tour operators' services • Tourist guides services • Other
Transport Services	<ul style="list-style-type: none"> • Maritime Transport Services • Internal Waterways Transport • Air Transport Services • Space Transport • Rail Transport Services • Road Transport Service • Pipeline Transport • Services auxiliary to all modes of transport • Other Transport Services

The WTO General Agreement on Trade in Services (GATS) was adopted in 1994 as the first multilateral, legally enforceable agreement covering trade and investment in services applicable to all members. GATS is underpinned by the assertion of its proponents that services represent the 'most dynamic segment of international trade' and that the services sector, plays an important role in the production and trade of all products, and global value chains and economic development.⁷⁷ There are numerous critiques of GATS including, i) its impact on women, who form the bulk of service users, ii) their labour conditions (with women being concentrated in the services sector), iii) access to education (including gender segregation)⁷⁸ and iv) other factors that are implicit in the privatisation of services, as discussed in other sections of this paper. The AfCFTA trade-in services protocol mirrors some of the elements of GATS. GATS contains all five of the AfCFTA priority sector areas but also includes educational, energy, environmental, health and social services.

GATS includes provisions for further negotiations which was a victory for corporate interests during the Doha Round of the WTO in 2001.⁷⁹ At the beginning of 2012, a group of 21 WTO members⁸⁰ (including the 27 members of the European Union which counted as one member) calling itself 'The Really Good Friends' of public services (RGF) started unofficial talks towards drafting what would be Trade in Service Agreement (TISA) to be promoted at the ministerial meetings of the WTO in Bali in 2013 with the target being to reach a final agreement in the following year.⁸¹ Although there were subsequent attempts in 2015 and 2016, as of 2021, no agreement had been reached. TISA would further liberalise trade and investment in services, and expand deregulation in all services sectors, including many public services.⁸² These plans, strongly opposed by public sector workers' unions, are widely understood to be the result of systematic advocacy by transnational corporations working through lobby groups such as the US Coalition of Service Industries (USCSI) and the European Services Forum (ESF).⁸³ Public sector unions view TISA as an assault on the public interest due to its failure to promote public goals over foreign investment in the service sector, undermining essential services. TISA would deepen the damage already caused by the privatization of public services overseen by foreign corporations: increased prices for decreased services, unemployment and the suffering of millions who cannot access services as a result.⁸⁴ As the AfCFTA continues to roll out its trade-in services elements, it is important to look at what lessons can be drawn from similar trade-in services scenarios from across the globe.

77 www.wto.org/english/thewto_e/20y_e/services_brochure2015_e.pdf

78 https://trade.ec.europa.eu/doclib/docs/2005/april/tradoc_122217.pdf

79 https://www.worldpsi.org/sites/default/files/documents/research/en_psi_tisa_policy_brief_july_2013_final.pdf

80 Australia, Canada, Chile, Colombia, Costa Rica, Hong Kong, Iceland, Israel, Japan, Mexico, New Zealand, Norway, Panama, Pakistan, Peru, South Korea, Switzerland, Taiwan, Turkey, the United States, and the European Union.

81 https://www.worldpsi.org/sites/default/files/documents/research/en_psi_tisa_policy_brief_july_2013_final.pdf

82 Ibid

83 Ibid

84 Ibid

2.4 Impact of free movement of people on the public sector

Another important consideration when it comes to the AfCFTA and public services is what tensions could potentially arise from the free movement of people, particularly in the public sector. There are vast economic inequalities between countries in the region, with Nigeria, South Africa and Egypt being the biggest economies based on GDP⁸⁵. With free movement, there is the possibility of poorer countries losing their skilled workforce to richer countries, while simultaneously increasing competition and decreasing salaries and benefits for public sector workers in the latter.⁸⁶ With free movement also comes the potential for stronger healthcare systems in some countries being overwhelmed by nationals seeking treatment from other countries; this strain leads to increased private provisioning and more medical professionals seeking to leave the public sector for the private sector.⁸⁷ As mentioned in previous sections, privatisation is antithetical to the common good and the notion of universality which holds that every single person is entitled to services that are sufficient to meet their needs, regardless of their ability to pay.

2.5 Inadequate attention to structural gender barriers

Feminist scholars have pointed to a number of assumptions macroeconomic policy and dominant economic empowerment programmes make about women and their participation in the economy. Firstly, women's reproductive and domestic responsibilities are their primary functions. Secondly, their income earning is secondary and supplementary to a male breadwinner's income. Thirdly, their domination of informal small-scale trading and enterprise is a matter of choice, convenience and/or lack of capacity and fourthly, that nothing but confidence prevents them from addressing their unequal access to productive resources and services.⁸⁸ A predominant mindset is that it is women who have failed to take advantage of opportunities in the economy. It is not clear if the AfCFTA makes these assumptions, but what seems likely is that there is the hope that African women (and young people) can 'entrepreneur' themselves out of poverty and inequality without adequate attention to the structural factors that continue to relegate them to the margins in the first place. Indeed, it appears that the prevailing conversations related to gender are centred on women (and young people) in medium and small-scale enterprises (MSMEs) as a kind of 'magic bullet' without

85 <https://africa.businessinsider.com/local/markets/10-richest-african-countries-in-2021-based-on-gross-domestic-product-gdp/yd784tx>

86 <https://femnet.org/wp-content/uploads/2021/04/AfCFTA-Paper-Policy-Brief-English-2.pdf>

87 Ibid

88 Dzodi Tsikata Gender and trade in Africa: Towards an agenda for gender equity in trade policies, agreements and outcomes. Report on Gender And Trade In Africa Commissioned by UN Women February 2012, Accra

sufficient reflection on the reality that women-owned MSMEs suffer highly detrimental impacts from the 'hard faultline' of trade agreements – including impacts concerning cheap imports, credit, standards and other technical barriers.⁸⁹

A report by UN Women on the opportunities for women under the AfCFTA identifies three main critical areas: women in the informal cross-border trade, value chains and affirmative action or preferential public procurement.⁹⁰ The report covers critical issues related to cross-border trade such as high transaction costs and border delays, corruption, insecurity and sexual harassment, poor basic infrastructures and facilities, weak trader associations and a lack of gender-disaggregated data on cross-border trade flows. It also underlines the need to ensure that the implementation of the AfCFTA 'does not divert away from domains where women are traditionally dominant by emphasising the activities of large multinational firms and their subsidiaries'.⁹¹ These are all important considerations and a starting point from which to ensure that the implementation of the AfCFTA does not reinforce existing gender inequalities or indeed give rise to new ones. However, despite the touting of positive gender equality outcomes under the AfCFTA, it appears that little is being said about the social costs. The AfCFTA Secretariat is in the process of developing and negotiating a Protocol on Women and Youth in Trade which is 'expected to address the specific constraints and barriers women face when trading on the continent'.⁹² Its stated intention is to create an environment that allows women to utilise the AfCFTA by 'accessing wider markets, improving their competitiveness and participating in regional value chains'.⁹³ Whether or not the Protocol will take into account structural gender inequalities (some of which this paper covers) remains to be seen.

89 <https://www.europarl.europa.eu/cmsdata/118222/Speech-Notes%20Ms%20Mariama%20Williams.pdf>

90 africa.unwomen.org/sites/default/files/Field%20Office%20Africa/Attachments/Publications/2019/Opportunities%20for%20Women%20Entrepreneurs%20in%20the%20Context%20of%20the%20African%20Continental%20Free%20Trade%20Area%20AfCF.pdf

91 Ibid

92 <https://au-afcfta.org/trade-areas/women-in-trade/>

93 Ibid

3.0 OUR AFRICA, OUR FUTURE: SOME PROPOSITIONS

Beyond its potential economic benefits, the AfCFTA will impact all areas of life for people on the continent, including labour, access to services, care and well-being. The AfCFTA is not only in the business of traders and entrepreneurs but of everyone. Economies (and economic projects) should work for people. By other estimates⁹⁴, Africa will be 50 per cent urbanised by 2040. Economic policy, including trade policy, will need to fundamentally shift to meet the needs of growing and urbanising populations and communities. We will need more, not less, public provisioning to ensure the quality of life, equity and social inclusion. We can expect increasingly younger workers and consumers. A combination of the continuing fallouts from the multiple, interrelated crises we are experiencing globally will require more public provisioning, not less. It is important to ensure that any expansion in fiscal space prioritises spending on universal, gender-transformative quality public services. Technology and innovation investments should go towards enabling governments and public sector organisations to deliver public services better - in a way that increases, not decreases, quality of life, social inclusion and protection, of decent work and environmental sustainability. Public service delivery should be informed by women's and young people's aspirations and radically shift in a way that makes public sector jobs and careers both attractive and attainable for them, with labour rights, social protection and a living wage.

This paper has focused on how the AfCFTA could promote or hinder the delivery of public services in a way that addresses the structural gender inequalities associated with trade liberalisation. Public services are critical for women and girls in multiple and intersecting ways, affecting progress and access to rights across many areas of their life and ultimately determining their dignity and well-being.

Below are some propositions on how, as Africa embarks on its biggest economic project, its people and their future take priority as envisioned under Agenda 2063:

3.1 Put People, care and well-being at the centre

A fundamental and uniting starting point is the '*ubuntu*'; understanding that the well-being of a whole society is dependent on the well-being of every person in the society. By maintaining *ubuntu* as the anchor we shift or restore discourses of dignity as important and legitimate to and for all people. This relates directly to the premier AU objective of achieving

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<https://www.uncclearn.org/wp-content/uploads/library/unhab59.pdf>

greater unity and solidarity between African countries and their citizenry. Neoliberal economic models neither value, care, nor recognise the human right to care, and this extends to care services and, crucially, care for the planet. Reversing this would require a restoration of mindsets to see and value care and create policy conditions that centre care and well-being, particularly for the most excluded and marginalised. An important element of this is to remove all hierarchies of access and de-commodify care and other essential goods and services necessary for all people on the continent to equally enjoy a life of dignity. It will also require changes in how we define a successful economy beyond conventional economic measurements. Trade rules and their accompanying policies should be subordinate to human rights commitments including those on women's rights and gender equality and should not, under any circumstances, reverse or block progress on these.

3.2 Agree and adhere to binding business and human rights instruments

There is no explicit mention of human rights in the AfCFTA as it currently stands. Yet, there are laudable ongoing continental and global efforts to ensure that the activities and behaviour of transnational corporations and other business entities are subject to the protection of the rights of all people affected by their operations. This includes ongoing processes to agree on an African Union Policy Framework and an international process (proposed by South Africa and Ecuador) to enact a legally-binding instrument on transnational corporations and other business enterprises with respect to human rights. Trade liberalisation gives immense power to corporations and part of ensuring that people are put at the centre of AfCFTA will involve bold state and continental-level action to reign in corporate power and ensure corporate accountability. Trade policy must not diminish the state's capacity to deliver rights.

3.3 Establish national and supranational mechanisms to protect and monitor public services and public financing under the AfCFTA

The biggest threat to accessing universal, gender-transformative, quality public services is privatisation. Yet, privatisation (and related deregulation) is at the core of trade liberalisation. The protection and expansion of public services is the role of national governments and therefore countries must mitigate against the privatisation of services that is both an ongoing project under austerity and structural adjustment and implicit in agreements, such as the AfCFTA. This extends to the necessity of maximising public finance for public services which entails scrutiny of the impact of tariff removals, and the wider issue of raising

revenues through progressive taxation, ensuring that the wealthy and big corporations pay their fair share of tax. Again, this will involve bold, people-centred action by the individual countries, as well as the establishment of a supranational mechanism for the monitoring of public services (and their financing) as the AfCFTA is rolled out. This mechanism must centre and involve citizens and their movements and be anchored by social and economic justice principles.

3.4 Ensure all negotiation and implementation is public, transparent, democratic and accountable

It is imperative that implementation of the AfCFTA, including the ongoing negotiations on the Protocol on Women and Youth, is transparent and democratic through wide and targeted public participation and genuine monitoring and accountability mechanisms. If the Protocol on Women and Youth (and any other instruments or processes related to the AfCFTA) is to stand a chance of addressing structural inequalities, feminist movements, women's rights organisations, movements of young people, wider civil society, trade and labour unions and national and regional human rights machinery and the general public must be informed, consulted and listened to. All processes and information should be made public and accessible. Protocols should include compulsory and timely human rights and gender impact assessments and ensure that they carry legal weight in policymaking.

