

THE AFRICAN CONTINENTAL FREE TRADE AREA (AFCFTA) AND AFRICAN INTEGRATION -A CASE FOR VISA-FREE ENTRY IN NIGERIA



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INTRODUCTION



In December 2020, Nigeria ratified the African Continental Free Trade Area (AfCFTA), marking a significant leap toward rewriting the country's economic narrative and strengthening its relationship with other African countries. As a regional agreement, the AfCFTA aims to boost trade within Africa - between African countries, spur industrialisation, and foster sustainable economic growth.¹. African trade integration faces significant challenges due to poor infrastructure, fragmented regulations, and restrictive trade policies. Outdated border and transportation systems make cross-border trade costly and inefficient, while the lack of harmonised laws across 54 countries creates additional barriers. Many governments impose high tariffs and quotas to protect domestic markets, making it more expensive to trade with neighbouring countries than with distant ones. These obstacles hinder intra-African trade and limit the continent's potential for economic growth and regional unity.

While the AfCFTA's Protocol on Trade in Goods² lays the groundwork for seamless movement of products, it is crucial to remember that at its heart, trade is about connecting communities, fostering collaboration, and ultimately improving lives, not just facilitating the exchange of goods and services. This human-centred approach to trade is why many African countries are increasingly considering visa-free policies as a complementary measure to the AfCFTA. By removing visa restrictions, nations aim to facilitate the free movement of people, which is essential for unlocking the full potential of intra-African trade.

For instance, Ghana's recent introduction of visafree entry for all African passport holders³ will foster closer economic ties and enable entrepreneurs, traders, and professionals to move freely across borders. Similarly, Rwanda, Kenya⁴, and Seychelles⁵ have already implemented visa-free policies, recognising that easier travel for Africans can stimulate business, tourism, and cultural exchange. These initiatives align with the African Union's vision of a borderless continent, as outlined in Agenda 2063⁶. Visa-free policies not only reduce bureaucratic hurdles but also signal a commitment to Pan-African solidarity and economic integration.

¹ "The AfCFTA will make Africa the largest free trade area in the world and make intra-Africa trade (trade between African countries) easier by achieving several important inter-related objectives as follows: Create a single African market for goods and services. This means most trade barriers will be removed and common policies will be put in place to ease the movement of goods, also money, people, businesses and services; make it easier for businesses, especially small businesses, to trade; remove non-tariff barriers i.e. measures that make trade between African countries difficult, such as customs delays; build African expertise in the areas of intellectual property rights, investment, competition and e-commerce; lower taxes and tariffs between member countries; help develop policies that facilitate trade and related services, such as the building of roads and easier access to ports" - Making the AfCFTA Promise a Reality for Women and Youth - https://www.undp.org/africa/afcfta

² The protocol on Trades in Goods contains annexes related to the Schedule of Tariff Concessions, Rules of Origin, Custom Cooperation and Mutual, Administrative Assistance, Trade Facilitation, Non-Tarif Barriers, Technical Barriers to Trade, Sanitary and Phytosanitary Measures, Transit, Trade Remedies (including Guidelines on the implementation of Trade Remedies)

³ Ghana opens up visa-free travel to all Africans - <u>https://www.bbc.com/news/articles/c80v4p1n81no</u>

⁴ Rwanda and Kenya introduce visa-free travel for all Africans -<u>https://www.weforum.org/videos/rwanda-kenya-visa-free-travel-</u> <u>africans/</u>

⁵ Seychelles supports AU all-Africa passport initiative https://www.nation.sc/archive/250107/seychelles-supports-au-allafrica-passport-initiative

⁶ African Union Agenda 2063: The Africa We Want - <u>https://au.int/en/agenda2063/overview</u>



VISA-FREE ENTRY: A CATALYST FOR AFRICAN INTEGRATION AND ECONOMIC GROWTH



The introduction of visa-free entry policies across Africa represents a transformative shift in how the continent approaches mobility, trade, and regional integration. For decades, restrictive visa regimes have hindered the movement of people in Africa.⁷, creating barriers to trade, tourism, and cultural exchange. However, with the AfCFTA gaining significant momentum, there is a growing recognition that visa-free policies are not just a convenience but a necessity for unlocking Africa's economic potential. By allowing Africans to travel freely across borders, these policies can foster deeper connections, stimulate economic activity, and accelerate the continent's integration agenda.

⁷ Visa Restrictions and Economic Consequences in Africa – African Development Bank Group: <u>https://blogs.afdb.org/fr/afdbchampioning-inclusive-growth-across-africa/post/visa-restrictionsand-economic-consequences-in-africa-11987</u> <u>https://www.afdb.org/en/news-and-events/press-releases/africa-</u> Visa-free entry is particularly relevant for African countries because it directly addresses one of the key challenges to intra-African trade: the high cost and complexity of cross-border travel. According to the African Development Bank (AfDB) Africa Visa Openness Index 2023, Africa has some of the most restrictive visa policies in the world, with only about 25% of African countries offering visa-free or visa-on-arrival access to other Africans.8. This has made it difficult for entrepreneurs, traders, and professionals to explore opportunities beyond their home countries. For example, a small business owner in Kenya looking to export goods to Ghana may face delays and expenses related to visa applications, reducing their competitiveness in the regional market. By eliminating these barriers, visa-free policies can lower transaction costs, streamline business operations, and encourage more Africans to participate in crossborder trade.

Visa-free entry has the potential to boost tourism, a sector that is critical to many African economies. Intra-African tourism currently accounts for 44% of all tourist arrivals on the continent.⁹, but this figure could grow significantly with easier travel. Countries like Rwanda and Seychelles, which have implemented visa-free policies, have seen a surge in tourism revenue. For instance, Rwanda's decision to allow visa-free entry for all Africans in 2018 led to a 24% increase in tourist arrivals within a year¹⁰. By adopting similar policies, other African nations can attract more visitors, create jobs, and generate revenue to fund infrastructure and social programs. This is especially important for

https://www.africanleadershipmagazine.co.uk/tourism-andeconomic-development-in-africa-trends-and-

challenges/#:~:text=Intra%2DAfrican%20Tourism&text=The%20UN WTO%20noted%20that%20in,increase%20compared%20to%20pre vious%20decades.

visa-openness-index-2023-progress-visa-openness-africa-easecross-border-travel-boost-trade-investment-and-regionalintegration-66992

 $^{^{\}rm 9}$ Tourism and Economic Development in Africa: Trends and Challenges:

¹⁰ https://www.weforum.org/stories/2018/01/africans-need-thefreedom-to-travel-in-their-own-continent-heres-why/



smaller economies that rely heavily on tourism as a source of foreign exchange.

LOCAL CONSIDERATIONS FOR ADOPTING A VISA-FREE ENTRY



A. Security Concerns

One of the most significant challenges Nigeria will face with a visa-free entry policy is the potential exacerbation of existing security issues. The country is already dealing with multiple security threats, including Boko Haram insurgency the Northeast, banditry in the in Northwest, and separatist movements in the Southeast. A Visa-free policy could make it easier for individuals with malicious intent to enter the country, as the lack of stringent visa checks might allow terrorists, criminals, or other undesirable elements to cross borders undetected. Additionally, Nigeria shares borders with porous neighbouring countries like Niger, Chad, and Cameroon, where security enforcement is often weak. This could increase the risk of cross-border crimes such as human trafficking, drug smuggling, and illegal arms trade. Without robust border management systems and intelligence-sharing mechanisms, a Visafree policv could inadvertently compromise national security and destabilise regions already struggling with violence and instability.

To mitigate security risks, Nigeria must invest in advanced border management and intelligence-sharing systems mechanisms. This includes deploying biometric technology, such as fingerprint and facial recognition systems, at border points to monitor and track individuals entering the country. Strengthening collaboration with neighbouring countries and regional organisations like the Economic Community of West African States (ECOWAS) is also crucial for sharing intelligence on potential threats and coordinating security efforts.

B. Economic Strain

The economic implications of a Visa-free policy is another major concern for Nigeria. The country's public services, including healthcare, education, and housing, are under significant strain due to population growth and limited infrastructure. An influx of visitors or migrants seeking better economic opportunities could overwhelm these systems, leading to overcrowding in major cities like Lagos, Abuja, and Port Harcourt. Furthermore, Nigeria's job market is highly competitive, with an unemployment rate of over 33% as of 2024¹¹. A sudden increase in the labour force due to visa-free entry could lead to heightened competition for jobs, particularly in the informal sector, which is a critical source of livelihood for many Nigerians. This could fuel resentment among locals, sparking social tensions and xenophobic attitudes toward foreigners.

To address the potential economic strain, Nigeria should adopt a phased approach to implementing Visa-free entry, starting with specific categories of travellers, such as business people, students, and tourists.

¹¹ National Bureau of Statistics CPI and Inflation Report for October 2024 <u>https://www.nigerianstat.gov.ng/download/1241583</u>



This will allow the government to monitor the policy's impact and make adjustments as needed. Additionally, Nigeria should invest in job creation programs and skills development initiatives to ensure that its citizens are well-positioned to compete in the labour market.

C. Infrastructure Deficits

Nigeria's infrastructure is another area of concern when considering a Visa-free entry policy. The country's border control systems are often criticised for being inefficient, under-resourced, and prone to corruption. Implementing a Visa-free policy would require significant upgrades to border infrastructure, including the deployment of advanced biometric systems, trained personnel, and streamlined processes to manage the increased flow of people. Without these improvements, the policy could lead to chaos at border points, with long queues, delays, and security breaches.

Nigeria must prioritise upgrading its border infrastructure to handle the increased flow of people and goods. This includes modernising border posts, expanding airport and port capacities, and improving road networks to reduce congestion and delays. Implementing digital systems for customs and immigration processes can streamline operations and reduce bottlenecks. The government should also explore public-private partnerships to fund these infrastructure projects, ensuring they are completed efficiently and sustainably.

D. Political and Bureaucratic Hurdles

The implementation of a Visa-free policy in Nigeria would also face political and bureaucratic challenges. For one, there may be resistance from stakeholders who benefit from the current Visa system, including government agencies that generate revenue from Visa fees and individuals who profit from corruption in the Visa application process. Overcoming this resistance would require strong and political will transparency in policymaking. Additionally, a Visa-free policy would require coordination with neighbouring countries and regional bodies like ECOWAS to ensure reciprocity and mutual benefits.

The Nigerian government should engage stakeholders, including lawmakers, immigration officials, and civil society organisations, in the policymaking process to build consensus and address concerns. Public awareness campaigns can also help garner support for the policy by highlighting its economic and social benefits.

E. Health Risks

Health risks another critical are consideration for Nigeria when implementing a Visa-free entry policy. Open borders could facilitate the spread of infectious diseases, as seen during the COVID-19 pandemic when travel restrictions were imposed to curb the virus's spread. Nigeria's healthcare system, which is already underfunded and overburdened, may struggle to manage outbreaks linked to increased cross-border movement. To manage health risks, Nigeria should implement robust health surveillance systems at border points to screen for infectious diseases. This includes deploying thermal scanners, conducting health questionnaires, and requiring proof of vaccination for certain diseases. The government should also invest in public health infrastructure, such as testing laboratories and quarantine facilities, to



respond effectively to potential outbreaks. Collaborating with international health organisations, such as the World Health Organization (WHO) and the Africa Centres for Disease Control and Prevention (Africa **CDC**), can provide additional support and resources for disease prevention and control.

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CONCLUSION

In conclusion, the Visa-free entry policy represents transformative opportunities for Nigeria and the broader African continent. Fostering seamless trade and mobility can unlock economic potential, strengthen regional integration, and improve the lives of millions. However, Nigeria must address significant challenges, including security risks, infrastructure deficits, economic strain, and health concerns, to fully realise these benefits.



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