GLOBAL 01.08.2017 | Uzo Madu

Brexit: But what about Africa?

Rebranding Brexit: a new "Global Britain" is about to trip up its African trade partner

The current UK government is frantically trying to distance itself from the sentiments that first prompted Brexit. The "leave" vote was triggered by concerns about high levels of immigration, and a desire for national sovereignty and control. But now, by rebranding the UK as "Global Britain", the government is trying to suggest the very opposite: that Britain is in fact still open for business, both with Europe and the rest of the world.

The UK government seems particularly interested in the Commonwealth (a group of 52 states that make up the former British Empire) and reports claim that International Trade Secretary, Liam Fox has specifically hinted at making a deal with an African free trade zone, based on the Commonwealth model. Meanwhile, UK Foreign Secretary, Boris Johnson suddenly has a close eye on mutual opportunities in Africa.

This new obsession with trade opportunities in Africa has been met with sharp criticism, and is now being dubbed "Empire 2.0", as critics worry about the government's growing nostalgia for an imperial past. Aside from this troubling throwback to the country's colonial history, the more pertinent question is how to deal with the practical implications of reconciling "Global Britain" with the UK's departure from the EU. And what's in it for Africa?

The Commonwealth Model is convenient for the UK but not for Africa

We won't really know what "Global Britain" looks like until the UK officially leaves the EU, which is currently scheduled for March 2019. Nevertheless, the emphasis on the Commonwealth model in creating a trade relationship between the UK and Africa is only convenient for the UK, with18 African countries already Commonwealth members (soon to be 19 as the Gambiaannounced its intention to rejoin earlier this year).

Beyond the all-consuming Empire 2.0 narrative, it doesn't make sense for Africa to engage with the UK on the basis of the Commonwealth model, one that puts Africa's own plans to integrate with the entire continental market at acute risk.

TheContinental Free Trade Agreement, set to be complete by the end of 2017, is currently in its first phase of negotiations, focusing on goods and services. This agreement brings with it the opportunity to increase intra-African trade by an impressive 52 percent, serving a continent of more than a billion people with a continental GDP of upwards of $3.4 trillion. It would also help to diversify intra-African trade, which is already considerably more diverse than the trade Africa does with other continents (with manufacturing representing 67 per cent of exports compared to 32 percent for Europe, 18 percent for the United States and 14 percent for China).

Fundamental to the regional integration plan is the idea of applying a free trade regime that does not mirror the continent-wide free trade agreement. Instead it would introduce different trading preferences for Commonwealth countries and non-Commonwealth countries that undermine African ambitions for a customs union.

Furthermore, the Commonwealth African countries do not reflect any of the configurations of theAfrican Regional Economic Communities (RECs), which is already a mish-mash of overlapping entities. Of Africa's 54 countries, 25 belong to two RECs, 17 are a member of three, and an additional six countries belong to four RECs. Moreover it is not in the continent's interests to divide trade relationships along linguistic lines: currently the regional groupings created by the African Union are based on geographical proximity, rather than linguistic homogeneity, so introducing a linguistic divide for trade would only needlessly reinforce the continent's Anglophone/Francophone divide. Also no external partners seem to have a universal African approach for trading with African countries, (e.g. the EU, US and China), so fragmentation on the continent persists – the Commonwealth model would only exacerbate this problem, which is convenient for the UK but detrimental to Africa.

New trade relationships with the EU and the UK

Also missing from the "Global Britain" discussion is the fact that the EU will be negotiating its new relationship with Africa (the Caribbean and Pacific) at the very same time that the UK leaves the EU. This is important because one negotiation may shape the other, especially as the

UK has a negative trade balance with Africa and will seek to even this up, while the EU has a slightly more positive balance. As such, both will seek more export opportunities, especially as China becomes a more prominent trading partner and provides more investment opportunities.

More than a decade ago, the EU and several African regions envisaged a new trade relationship in the form of Economic Partnership Agreements (EPAs). These agreements would gradually open up most African markets to liberalisation within a fixed time period, in order to maintain their preferential access to the EU market.34 African countries have full duty-free and quota-free access to the EU for all their exports (except arms and armaments) through the EU's "Everything But Arms Scheme" (EBA). However, the agreements have not yet come into fruition because of fears about liberalising trade without being able to compete with EU imports, and only one African region is implementing an EPA - the Southern African Development Community (SADC). However, in 2020 the current legal agreement underlying these negotiations comes to an end, so there is great political and legal pressure to resolve the uncertainty around future relations between the EU and Africa. Negotiations on the future of this relationship will be underway by the end of September 2018, when Brexit negotiations should be being finalised (although the Brexit timeline is somewhat ambitious).

This competitive pressure for the EU and the UK to form a trade deal with Africa could be an opportunity for certain African countries, particularly those in the Southern African Development Community (SADC), to leverage their strong negotiating positions, to gain better, non-reciprocal trade arrangements with both the UK and the EU. These positions reflect their stage of development and reinstate the preferential access to the EU and UK market, at least until such time as the Continental Free Trade Agreement and the subsequent Customs Union is in play. In practice, the greatest hurdle is that African negotiators are often not skilled enough to broker the best deals for their countries and regions via bilateral and international negotiations. Moreover, theEU andUK development approach is becoming more business and trade focused, which lends itself not to non-reciprocity in trade arrangements, but rather to increased liberalisation of markets.

Africa needs to shape its own trade relations

What Africa can salvage from Brexit ultimately depends on the final outcome of the withdrawal agreement. What we do know is that while the concept of a "Global Britain" means being a global partner, the

Commonwealth model is not in Africa's interest – a more mutually beneficial Africa-UK trading model will need to be negotiated. Additionally, the negotiating capacity of African countries, regions and institutions should be a priority as both the UK and the EU enter uncertain times regarding their trading relationship with Africa, which for now is a priority for both parties and should be capitalised on.



Uzo Madu
London

Uzo Madu is founder of the website and current affairs programme *What's in it for Africa*, where she monitors and analyses EU-Africa political issues. She has written for African Business Magazine and Borderlex.eu, featured on BBC World News and CNBC Africa, and in Forbes Afrique, Deutsche Welle and RFI Internationale. With over 6 years' experience in EU Public Affairs, she holds a Law degree and is studying an MA in EU External Relations.