
Challenges and Opportunities of Women and Youths Financial Inclusion in the Context of AfCFTA. Case Study of Sub-Saharan Africa.

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ABSTRACT: The agreement establishing the African Continental Free Trade Area (AfCFTA) was launched in 2018. A commendable level of commitment has been demonstrated by member states since signing the agreement. Women and youths occupy a critical place in the political economy of Africa, and the success of many continental initiatives such as the AfCFTA agreement is expected to be dependent on the extent to which the youths are mainstreamed in the financial-economic inclusion initiatives. This is largely because Africa is a youthful continent, with women and youth constituting over 60% and 50% respectively of the continent's population. The current level of inclusion of women and youths in existing AfCFTA programmes does not reflect the expected contribution of this class of population. The main implication of these population classes is the potential job creation challenges on the continent, especially as the labour force is projected to reach about one billion by 2030. This paper, therefore, examined the challenges, opportunities and how women and youth involvement in the process could lead to their financial-economic inclusion and independence in Africa with a focus on the Sub-Saharan region leveraging on the AfCFTA programmes. The study is descriptive in nature. Available secondary data from reports issued by AU, AfCFTA and World Bank was extensively used for the study. A simple percentage method was used for analysing the secondary data in order to show the trend and status of financial inclusion. The findings of the study reflect on ways to improve regional and continental integration frameworks from youth and gender perspectives.

KEYWORDS: Gender Equality, Youths, Inclusive Growth, Financial Inclusion, Regional Value Chain

1. INTRODUCTION

One of the African Union's (AU) greatest ambitions is to create a prosperous Africa based on inclusive growth and sustainable development whose development is African people-driven, especially by women and youth.¹ The African Continental Free Trade Area (AfCFTA) is a flagship project of the African Union Agenda 2063. Through AfCFTA, AU seeks to promote and attain sustainable and inclusive socio-economic development, gender equality and structural transformation of its member States Parties.² The AfCFTA project is meant to promote trade and business opportunities in intraregional trade in Africa, including in critical sectors where women and youths are actively engaged, such as agriculture, manufacturing (clothing and textiles) and services. Notwithstanding the ambitions and implied opportunities, AfCFTA market liberalization seems to be still entrenched in multiple challenges that are disadvantaging the women and youths in African economies.

In this regard, the study therefore seeks to analyse the existence of challenges and opportunities for women and youths given the opportunity for financial and economic inclusion in the context of AfCFTA. The study highlights opportunities for youths' participation in the AfCFTA and identifies specific barriers and gender inequalities that different groups face when accessing markets. The study concludes by suggesting the key action areas for making the AfCFTA work for Adolescents Girls and Young Women (AGYW), AGYW-led businesses, gender-responsive businesses and youths in general.

11. BACKGROUND OF THE STUDY

Africa has the world's youngest population, with over 400 million young people aged between 15 to 35 years. To motivate Africa's economic progress and promote the achievement of the sustainable development goals (SDGs), youths and women are considered the main anchor of the AfCFTA initiative. AfCFTA is the AU Agenda 2063 flagship which is the continent's development blueprint.

¹ Goals and Priority Areas of Agenda 2063. Accessed at <https://au.int/en/agenda2063/goals on 13/02/2023> at 1400hrs

² Article 3 (e) of the Agreement establishing the AfCFTA Agreement

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With the AfCFTA initiative, AU agenda predicts the single continental market with potential to increase intra-African trade by 52.3 per cent, strengthen continental economic integration, increase productivity, create more jobs, and aim for gender-balanced opportunities by involving women and youths in Africa's trade liberalization. According to the UN Economic Commission for Africa, this single market trade agreement is expected to enable the African economy to reach the \$29 trillion mark by 2050. The World Bank report of 2020 further estimates that the successful rollout of the AfCFTA will increase Africa's income by \$450 billion by 2035 and increase intra-African exports by more than 81 per cent. This underscores the argument that, the birth of the AfCFTA is meant to provide opportunities to increase economic growth, reduce poverty and Africa's dependence on the commodity cycle. Moreso, World Bank posits that AfCFTA has the potential to transform about forty million people out of poverty through promotion of intra-regional trade. With the initiative of AfCFTA, reductions in non-tariff barriers on goods and services and improvements in trade facilitation measures on inception are expected to account for about two-thirds of the US\$450 billion in potential income gains. The researcher based on the regional economic integration concept therefore argues that AfCFTA has the potential to promote cross-border investment by eliminating tariff and non-tariff barriers and replacing the existing bilateral agreements and regional trade deals with a single, unified market. According to the AU Agenda 2063 agreement, integration in global and regional value chains offers a major boost to increased foreign direct investment (FDI) and the creation of job opportunities mainly for women and youths. Women and youths occupy a critical place in the political economy of Africa, and the success of many continental initiatives such as the AfCFTA agreement are expected to be dependent on the extent to which the women and youths are mainstreamed in the financial inclusion initiatives. The argument is based on the fact that Africa is a youthful continent, with women and youth constituting over 60% and 50% respectively of the continent's population. The researcher therefore argues that gender equality, youths and financial inclusion for an improved and meaningful participation of women and youths in intra-Africa trade are key factors to the effective implementation of the AfCFTA initiative.

Having said that, the AU's efforts to fast-track the implementation of the AfCFTA is an exceptional opportunity for the continent to refocus its priorities on critical women and youth empowerment involvements. Effective implementation of agreed-upon policy frameworks by AU member states will transform the continent. Therefore, AfCFTA's capacity to realize its maximum yield is reasonably dependent on the level of women and youth involvement. The study asserts that priority must be given to investments in women and youth in all aspects of the AfCFTA implementation arrangements. Currently, women and youths seem to be marginalised in terms of securing formal employment and decent jobs leaving them with only involvement options in entrepreneurship and small businesses in the informal sector particularly cross-border trade. Therefore unlocking the possibility of cross-border trade is strategically essential to women's and youths' empowerment in the context of AfCFTA.

However, some sectors in development economics argue that this mindset of shifting the focus from formal to informal employment poses the risk of critical trade agreements also shifting from being a development instrument to being a primary cause of poverty and inequality, resulting in the continued exploitation of women and youth as sources of low-wage labour, inequitable market prices, and low wages. The coming in of the AfCFTA arrangement according to this study addresses potential development economics argument.

The researcher argues that the historically high trade costs and unreasonable tariff barriers which existed in many countries then limited the opportunities of women and youth in the business sector, ultimately choking economic growth and undermining the continent's overall development agendas. In addition, opportunities to obtain accessible and market-driven credit and finance for formal and informal women- and youth-led enterprises were often limited. This is attributed to an assortment of reasons which include low levels of financial literacy, inaccessible and difficult-to-understand financial information, collateral constraints, lack of variety in financial products, punitive interest rates with limited financing options, and unfavourable loan application procedures. This study therefore seeks to analyse the existence of challenges and opportunities of women and youths given the opportunity for financial and economic inclusion in the context of AfCFTA looking into these assortment of reasons mentioned.

111. SCOPE OF THE STUDY

The AfCFTA is one of the flagship projects of Agenda 2063: The Africa We Want. AfCFTA is a high-ambition trade agreement for AU member states, with a comprehensive scope that includes critical areas of Africa's economy, such as digital trade and investment protection, amongst other areas. Eight Regional Economic Communities (RECs) have been officially recognised as building blocks of the AfCFTA. These are the Economic Community of Central African States (ECCAS), The Economic Community of West African States (ECOWAS), the East African Community (EAC), the Southern African Development Community (SADC), Common Market for Eastern and Southern Africa (COMESA), Arab Maghreb Union (AMU), Community of Sahel–Saharan States (CEN-SAD) and Intergovernmental Authority on Development (IGAD). Agenda 2063 is Africa's framework for structural transformation. On inception, AfCFTA promised broader and deeper economic integration that would attract investment, boost trade, provide better jobs, reduce poverty, and increase shared prosperity in Africa driven by the involvement of women and youths. This study focused on the analysis of potential challenges and opportunities of women and youths given the opportunity for financial and economic inclusion in the context of AfCFTA.

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IV. STATEMENT OF THE PROBLEM

Since its inception in 2018, the AfCFTA initiative contextualized its objectives to the characteristics that covered women and youth-led businesses operating on the African continent. Empirical evidence proved that these businesses either operate as micro, small and medium-sized enterprises or as informal cross-border traders. According to the International Trade Centre (ITC), SMEs represent 90 per cent of businesses on the continent and employ about 60 per cent of workers, many of whom are women and youth.³ The United Nations Conference on Trade and Development (UNCTAD) further noted that, women and youth in poor families make up a large proportion of informal traders and that the tendency to work as local workers, usually in the agriculture sector or as survivalist entrepreneurs in the informal sector, is greater among women and youths in comparison to the general population.⁴ In that regard, AfCFTA member states committed to putting in place the necessary measures that improve the export capacity of both formal and informal service suppliers with particular attention to micro, small and medium-sized; women and youth service suppliers.⁵ While all these efforts and frameworks were put in place, gender equality, youth and women's empowerment initiatives have not yet reached their full capacity. The researcher holds the view that, AfCFTA have potential to deliver far greater benefits in terms of jobs, growth, and poverty reduction than current state making it a potential game changer for Africa's economic development if its ambitious goals have fully materialised. This study therefore seeks to analyse the existence of challenges and opportunities of women and youths given the opportunity for financial and economic inclusion in the context of AfCFTA.

V. OBJECTIVES OF THE STUDY

The study analysed the challenges and opportunities given the opportunity for financial inclusion in the context of AfCFTA gendered and youths' lens. The study looked specifically at opportunities for youths' participation in the AfCFTA and identified specific barriers and gender inequalities that different groups face when accessing markets and was guided by the following objectives:

- i. Identify the challenges faced by AGYW and youths in informal cross-border trade within the context of AfCFTA,
- ii. Identify the opportunities presented by the AfCFTA for AGYW and youths operating in the informal cross-border trade in Africa,
- iii. Propose possible policy and practical recommendations that can be considered to strengthen women and youths financial and economic inclusion,
- iv. Reflect on ways to improve regional and continental integration frameworks from a gender perspective.

VI. RESEARCH QUESTIONS

- i. What are the challenges faced by AGYW and youths in informal cross-border trade within the context of AfCFTA?
- ii. What are the opportunities presented by the AfCFTA for AGYW and youths operating in the informal cross-border trade in Africa?
- iii. Relate the possible policy and practical recommendations that can be considered to strengthen women and youths' financial and economic inclusion.
- iv. To what extent should women and youth involvement improve regional and continental integration frameworks from a gender perspective?

VII. SIGNIFICANCE OF RESEARCH

This study is premised on the analysis of the existence of challenges and opportunities for women and youths given the opportunity for financial and economic inclusion in the context of AfCFTA. The subject motivated the researcher's desire to inform ongoing AfCFTA trade agreements and actions by negotiators at all levels, the AfCFTA Secretariat and AU Member States for purposes of making the AfCFTA agreement a gender and youths responsive trade agreement.

The researcher puts a strong emphasis on young Africans and SMEs led by women and argues that they are the drivers of the African economy. Currently, the SMEs in Africa run by women account for close to 60 per cent of Africa's GDP, creating about 450 million jobs across the continent. Empirical evidence also reveals that young Africans are at the cutting edge of technological advancements across the globe. They are developing the latest software to drive e-commerce and so on. The study seeks to challenge the AfCFTA secretariat and stakeholders that if they want to move away from the old models of trade agreements that were more favourable to benefit only the big corporations, they need to focus on youths and women-run SMEs.

³ International Trade Centre. (2018). Promoting SME competitiveness in Africa: Data for de-risking investment. ITC, Geneva.

⁴ United Nations Conference on Trade and Development. (2021). Economic Development in Africa Report 2021: Reaping the Potential Benefits of the African Continental Free Trade Area for Inclusive Growth. UNCTAD, Geneva.

⁵ Article 27 of the AfCFTA Protocol on Trade in Services.

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VIII. METHODOLOGY

The study is descriptive in nature. Available secondary data from reports issued by AU, AfCFTA and World Bank were extensively used for the study. Different news articles on regional and economic integration, books and authorized internet sources were used which were enumerated and recorded. A simple percentage method has been used for analysing the secondary data in order to show the trend and status of financial inclusion over the past five years of AfCFTA agenda implementation.

What is financial inclusion?

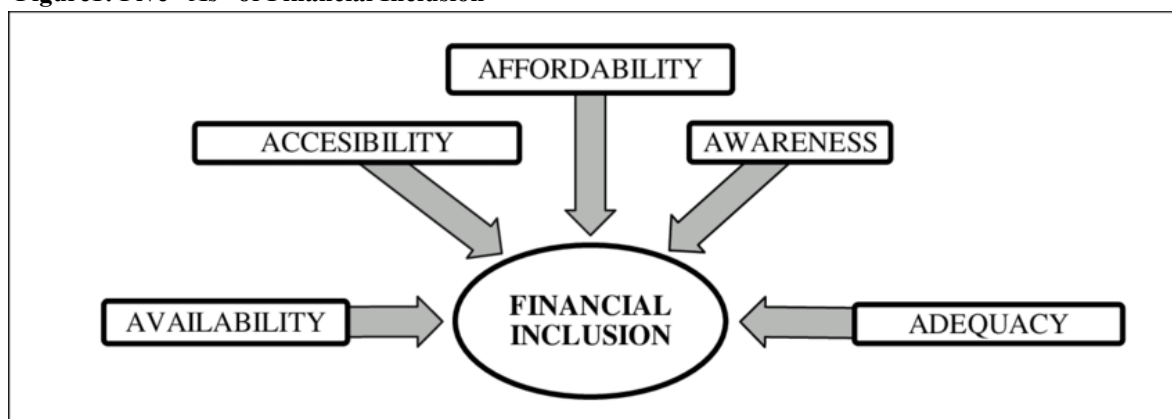
The concept of financial inclusion denotes the desire to provide accessibility to financial services at an affordable cost to all individuals in the nation. Therefore, financial inclusion in this study adopts the definition that it is the process of ensuring access to appropriate financial products and services needed by all sections of society including vulnerable groups such as weaker sections and low-income groups at an affordable cost in a fair and transparent manner by mainstream institutional players. (Chakrabarty, 2011)

Financial inclusion in the context of AfCFTA means more people have access to funds which they can use to support their businesses. The researcher, however, critic that, successful financial inclusion can only be made possible with the introduction and deployment of technology particularly mobile devices and internet services. A member country that neglects or refuses to develop critical technological infrastructure therefore risks their citizens losing when trading scale up under the AfCFTA.

IX. CONCEPTUAL FRAMEWORK

The study adopted the five A's of financial inclusion as shown in the form of a diagram in Figure 1 below. The five "A" represent Availability, Affordability, Accessibility, Awareness and Adequacy.

Figure1: Five "As" of Financial Inclusion



Source: Adopted from (Kaur, 2017): Five A's of Financial Inclusion

Availability: This infers that financial inclusion means making all types of financial services available to all individuals irrespective of income, size of credit, gender and availability of collateral.

Affordability: this denotes the availability of financial services at an affordable cost in this regard to women and youths.

Accessibility: this entails that services like credit facilities, insurance, savings etc. should not just be made available with the banks but should also be accessible to women and youths.

Awareness: This involves information dissemination about the availability of financial and economic services available for women and youths.

Adequacy: this symbolises that all kinds of financial services need to be adequate in the sense that as focus is on people from weaker sections of society such as women and youths in their numbers regardless amounts requested.

X. THEORETICAL FRAMEWORK

The formation of AfCFTA created trading and entrepreneurial opportunities for women and youths in the formal and informal economy in several sectors such as agriculture, trading, and industrial development through value chain services. AfCFTA initiative therefore promotes access to new markets by women and youth-led businesses leading to a wider market base while similarly consumers have access to a wider range of products and services at competitive prices.

The theory behind AfCFTA hinges on the desire to promote diversification as demand for processed goods increases by improving access to inputs at favourable prices that in the long run reduce production costs. Products are therefore sold at competitive and desirable prices to both the supplier and consumer. In the context of labour markers, the selling of high-value products contributes to job creation and inclusive growth of SMEs including those from women-led organisations or youths. Broadly, AfCFTA liberalises the services market and facilitates the movement and establishment of service suppliers within the continental free trade space. The

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AfCFTA promotes intra-African investments that aim to create a conducive environment in which SMEs, women and youth-led enterprises can fairly compete with larger firms.

Gender Equality and Inclusiveness:

The principle of gender equality and inclusiveness is an important aspect in Africa as women and youth are seen to be very active in cross-border trade that ultimately positively contributes to Africa's inclusive economic growth. Currently, their contributions are marginally felt. Assumptions are that most women and youths operate in the informal sector and have been deemed to neither have the capacity nor the means to compete in a market such as that created by the AfCFTA.

An important factor is that the African Heads of State and Government through the AfCFTA membership recognised the role that women and youth play in African economies and have committed to broaden inclusiveness in their operation. Currently, this is through interventions that support young Africans, women and Small and Medium Enterprises as well as integrating informal cross-border traders into the formal economy by implementing the simplified trade regime under AfCFTA'.⁶ This commitment is a remarkable indication of the determination of African Heads of State and Government to ensure that no one, including women and youth, is left behind with regard to the access and distribution of benefits of the AfCFTA initiatives.

It is also important that African-led businesses and trade trends on the continent are conversant and coherent with policies that complement to maximum utilisation of opportunities offered by the AfCFTA to women-led organisations and youths. The researcher holds the view that the true measure of success of the AfCFTA will be determined not only by the volume of intra-Africa trade but more importantly, by the ability of the African private sector, especially women and youth-led businesses and entrepreneurs, to meaningfully trade and benefit in such a way as to improve their standards of life and that of their families.

At the policy level, the study recognises that the AfCFTA secretariat is translating the commitments of African Heads of State and Government of the AU into an AfCFTA Protocol on women and youths in Trade. The Protocol is expected to inform member states of legal frameworks that contribute to the AfCFTA's success. Member states are also encouraged to create an enabling environment for women and youth to leverage opportunities offered by the AfCFTA.

The researcher holds the view that financial inclusion is important to improve women and youths' ability to compete in the AfCFTA market. However, it is important to understand that there is no financial inclusion without gender equality and youth empowerment. Ideally, financial inclusion is achieved when all businesses have access to useful and affordable financial products and services that meet their needs.⁷ On the other hand, gender equality implies that the interests, needs and priorities of both men and women are given equal opportunities.⁸

These two notions are complementary and cannot be implemented in isolation. In other words, access to financial products should be cognizant of the specific needs of each target group for financial inclusion to be achieved. The consultations and surveys conducted by the AfCFTA secretariat and its partners proved that women and youths if granted access to appropriate and adequate finances may equally scale up their business activities. The study also revealed that they could be a case of financial institutions having products designed for women and youth but the latter do not have information. It is therefore important to fill the information gap and to engage with financial institutions to develop more products to improve competitiveness in the context of AfCFTA.

Regional and Global value chains

The AfCFTA commitment seeks to promote industrial development through diversification and regional value chain development, agricultural development and food security. In the desire to achieve the commitment, the AfCFTA secretariat developed a private sector inclusivity strategy that prioritises value chains and interventions in key sectors. The strategy incorporated the provisions for women and youth to participate in the formulation of SMEs including in agriculture and agro-processing, transportation, and logistics. The ambition is to identify and efficiently address the bottlenecks in those sectors to encourage integration into regional and global value chains. The researcher reiterates that the integration of women and youth in these value chains cannot be done without any financial support as they seek to scale up to meet demands within the chain. Integration into value chains also means that women and youth diversify their export baskets of goods and services traded thus remaining competitive in the AfCFTA market. Financial inclusion is, therefore, critical in that regard.

⁶ Johannesburg Declaration on the Start of Trading under the Agreement establishing the African Continental Free Trade Area made at the thirteenth (13th) Extraordinary Session of the Assembly of Heads of States and Government of the African Union held in December 2020

⁷ World Bank. Financial Inclusion as a Key Enabler to Reducing Poverty and Boosting Prosperity. Accessed at <https://www.worldbank.org/en/topic/financialinclusion/overview#1>, on 7/01/2023 at 10:39 am.

⁸ UNDP Gender Equality Strategy 2014-2017: The Future We Want: Rights and Empowerment. Terminology Used in the Gender Equality Strategy (Annex 1).

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Financial Inclusion:

The AfCFTA Secretariat and Afreximbank developed and launched in January 2022 the Payment and Settlement System (PAPSS) to facilitate trading within the framework of the AfCFTA. The platform was designed to allow African traders to trade with African currencies thus addressing the issue of convertibility of African currencies. However, the application cannot be done without mapping financial inclusion among the member states. Therefore, one of the key components of financial inclusion in the AfCFTA context is access to a transaction account that allows users to store money, and send and receive payments. The PAPSS system is also considered as a flexible way to access other financial services.⁹ For a trader to utilize the Payment and Settlement System, one must have a compatible transaction account. In this regard, AfCFTA in partnership with banks need a comprehensive review of bank account opening requirements that meet the African women and youth status. Moreover, the opening of those bank accounts by women and youths should be started and concluded with ease.

The study argues that financial inclusion is incorporated into all components to improve the competitiveness of African SMEs and youth and women-led businesses. Furthermore, the researcher challenges that it is important that coherent policies are supplemented by comprehensive and intensive initiatives, programmes and activities that are required to increase the capacity of SMEs and women and youth-led enterprises to leverage opportunities offered by the AfCFTA.

Analysis of AfCFTA Clauses

The researcher identified two key objectives that clearly recognize the inclusion of women in the AfCFTA agreement and accompanying Protocols which are Objective (3(e)) and Article 27 (2) (d).

- a. Objective (3(e)) looks to promote gender equality and structural transformation of the African member states.
- b. Article 27 (2) (d) focuses on the protocol on trade in services. With this article member states are obliged to improve the export capacity of both formal and informal service suppliers, with particular attention to micro, small and medium size; women and youth service suppliers.

According to the researcher, these two clauses underscore the value of involving and representing the diverse economic needs of the various categories of women and youths in society.

With regards to the protocol on trade in services, the study argues that the AfCFTA agreement aims to create a liberalized single market for trade in services which includes enhancing the competitiveness of services through economies of scale, reduced business costs, enhanced continental market access; promoting sustainable development; as well as progressing trade in services across the African continent on the basis of equity, balance and mutual benefit, by eliminating barriers to trade in services. The protocol also necessitates the requirements of informal service suppliers to be included under the financial inclusion arrangement. Therefore, the study advocates the protocol to provide a conducive environment to the marginalized groups, that is, women and youth to access the opportunity for negotiations that leverage the AfCFTA agreements. The researcher acknowledges that in 2020, the AfCFTA secretariat confirmed that the negotiation platforms on the protocols on investment, intellectual property rights, competition policy and e-commerce were put in place.

Opportunities of Women and Youths in AfCFTA

The study identifies several opportunities in the AfCFTA and its accompanying Protocol on Trade in Goods and Protocol on Trade in Services that can be used to enhance the trading and financial capacities of women informal cross-border traders. These opportunities include leveraging the principle of free movement of people and goods; benefiting from a regional unitary tax regime that will ease the movement of goods and reduce the costs of trade as pertains to customs and import duties, and finally that the AfCFTA presents a continent-wide opportunity to network and participate in a regulated Informal Cross Border Trade (ICBT) in a manner that promotes the empowerment of women traders in ICBT.

The study asserts that AfCFTA recognises women and youth entrepreneurs as significant actors in boosting intra-African trade. This is supported by the fact that the AfCFTA Agreement is ambitious to reduce the costs of trade through a reduction in trade restrictions under the Agreement establishing the AfCFTA and its various Protocols. Within the protocols, women entrepreneurs have huge opportunities to move up the value chain to higher-value sectors that include marketing, processing, and distribution, as well as Science Technology Engineering and Mathematics (STEM) and other industrial processes (Cudjoe K, and Diang'a R, 2021). Further, ensuring that African women play an instrumental role in promoting what Africa produces and sells through Made in Africa and Buy in Africa will boost intra-African trade, while empowering women, their families, communities and societies (Cudjoe K, and Diang'a R, 2021). This approach accelerates poverty reduction goals set out in AU Agenda 2063: the 'Africa we Want' and UN Agenda 2030 Agenda for Sustainable Development (Africa Union, 2014).

The aspect of financial inclusion under the AfCFTA will ensure women, who in most cases are generally excluded from the formal financial sector either because of their income level and volatility, location, type of activity, or level of financial literacy, benefit

⁹ Op Cit 4

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from strengthened financial services and capacity building. The participation will benefit more women and youths living in rural areas and urban-informal settlements, to gain access to technology and to use it to increase productivity in all industrious sectors and benefit from tailor-made financial products such as the use of mobile money applications as a tool for expanding access to banking and finance that respond to the need for formal and reliable means to save, access and borrow money.

This study holds the view that if women grab these opportunities as discussed above, the inclusion of women and youths will be aligned with the African Union strategy for Gender Equality and Women's Empowerment (GEWE) and the African Charter on the Rights of Women in Africa, which push the inclusion of young women in Africa's development agenda. These and several other related African Union instruments recognize that gender equality is a fundamental human right and an integral part of regional integration, economic growth and social development and present a platform for various opportunities for entrepreneurship including the AfCFTA strategy under this study.

XI. FINDINGS AND DISCUSSION

To answer research question number 1: *What are the challenges faced by AGYW and youths in informal cross-border trade within the context of AfCFTA?*

Results show that currently, trade and most of the African economy are not gender-neutral; it remains biased in favour of men due to social inequalities and a disempowering patriarchal culture that subordinates women. As a result of these gender constraints, women are more likely than men to engage in informal trade.

The study found that the character of Africa's economy and demographics remain inclined to the traditional trade agreement, which focuses on trade in goods, trade in services, intellectual property rights, and so on. The trade agreements are perceived to benefit only the elites their marginalised communities of women and youths distance themselves from the AfCFTA initiatives regardless of the fact that they have provisions to support them. Additionally, the majority of African women and youth entrepreneurs lack access to financing.

There are currently weak innovation and technology capacities in the continent, limited access to finance, especially for women and youths small and medium enterprises, weak export promotion support, the high cost of inputs and high transport costs as there are long distances to existing designed African markets, among other supply-side constraints.

The results further reveal that there is a lack of working capital, trade finance, production inputs and market information to promote women and youth-led projects. Under this observation, the study holds the view that transforming Africa's women and youth into a demographic dividend will involve substantial investments in education, bridging the digital divide, and access to financial support and increased opportunities.

To answer research question number 2: *What are the opportunities presented by the AfCFTA for AGYW and youths operating in the informal cross-border trade in Africa?*

Therefore participating women and youths are forced to expand their trade market as SMEs or individual; entrepreneurs. The market is spread among the eight Regional Economic Communities (RECs) which are officially recognised as building blocks of the AfCFTA. The study posits that AfCFTA offers an opportunity to expand into a market of 1.3 billion people with a combined GDP of \$3.4 trillion.

The researcher further argues that the involvement of women and youths is a significant opportunity for AfCFTA to have the right mechanisms to support their investment projects. The study reveals that AfCFTA had plans in place to launch the trade finance facility along with Afreximbank by the time the research was being conducted. That. The arrangement of the AfCFTA trade finance facility will be a digital platform that will provide market and due diligence information including the rules of origin, customs procedures, as well as payment transfer platform.

To answer research question number 3: *Relate the possible policy and practical recommendations that can be considered to strengthen women and youths' financial and economic inclusion.*

The findings of the study suggest that AfCFTA immediately prioritise negotiations on rules of origin convergence including providing a finance facility for SMEs especially those led by women and youths. The study further recommends immediate activation of the African Trade Gateway digital platform which is user-friendly to all walks of life. There is a need to sensitise and train women and youth entrepreneurs on the available digital resources and tools. The study also suggests that AfCFTA facilitate information and networking platforms for women and youth entrepreneurs, promote gender sensitivity and affirmative action in public procurement to ensure inclusion of women and youths, provide support ICT skills development and empower women and youths' participation in e-commerce and digital trade solutions, ensure universal access and affordable internet and energy.

At the leadership level, Heads of State who are mandated to negotiate a protocol on women and young traders are challenged to extend their engagement drive to commercial banks in Africa to expedite the establishment of a Trade Finance Facility to support young people, for Small and Medium-scale Enterprises (SMEs). This is envisioned to ensure that young Africans have access to

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financing and that the criteria for qualification for financing don't disadvantage women and youthful entrepreneurs. In terms of these women-led and youth entrepreneurs, it is essential to improve financial literacy and access to capital. Africa must deploy financial awareness and knowledge to these businesses and, more importantly, attract the innovative financing solutions that go with it.

The researcher observed that, currently there are minimum efforts by African governments to reform their respective institutional frameworks and regulatory environments that lead to the reduction or removal of all barriers that hinder women's and youths' access to digital financial literacy, information and monetary investments are welcome. The inclusion of this critical and economically active demographic group will increase the momentum to achieve Africa's transformational development framework, "Agenda 2063", which envisions a prosperous Africa whose development is driven by the people.

Additionally, the AfCFTA secretariat needs to strengthen its advocacy by drawing lessons from other pan-continental initiatives championed by the AU that stimulate regional economic integration and enhance social development while empowering women and youth. These include the African Youth Charter, the AU Roadmap for Harnessing the Demographic Dividend, and the Sahel Women Empowerment and Demographic Dividend (SWEDD) initiative. That way, AfCFTA governance structures may be professionally protected, and its framework compartmentalized to promote inclusion and participation will be appreciated by the general population.

To be effective, the AfCFTA is further recommended to be lean and efficient to promote undertaking strategic tasks on delegated technical aspects rather than the current approach of doing everything themselves. AfCFTA secretariat is challenged by this study to learn from other global innovative instruments such as the Global Fund to Fight HIV and AIDS, Tuberculosis and Malaria, with approaches that are created to manage specific tasks through member state country level structures. This will free the AfCFTA Secretariat to focus on urgent and more strategic tasks from a centralised approach. Learning from other global initiatives is essential to harness the energy and inspiration of African women and youth, which will strengthen AfCFTA as a people-centred local initiative.

The researcher also recommends AU revise the current continental financial architecture and come up with a mechanism that includes women and youth priorities. This subset of the population over the years has proven to be the key drivers of cross-border trade therefore motivating and strengthening their access and financial inclusion should be a priority for AU in the future.

African political leadership is further challenged to craft more robust standard operating instruments that should be deployed, managed and monitored professionally to realise the expected transformation of general people's lives. Ideally, AfCFTA should immediately start to accelerate the provision of necessary infrastructure and put in place functional systems that offer the continent an exceptional opportunity to fully activate the existing policy instruments that envision placing women and youth at the centre of the African regional economic communities' agendas. Above all, the study recommends that priority must be given to investments in women and youths in all aspects of the AfCFTA implementation arrangements.

Another factor is for AfCFTA to support business networks and business associations to train on women's rights and empower them to negotiate for support and time for the businesses at the domestic level. Ideally, the AfCFTA secretariat to run campaigns to educate on the value of women and youth running prosperous businesses to help reduce limiting social-cultural barriers and optimize women's business and trade potential.

To answer research question number 4: *To what extent should women and youths' involvement improve regional and continental integration frameworks from a gender perspective?*

- Crowding women's voices, sensitizing and ensuring their participation in the national committees through women-led organizations, women cooperatives and cross-border trade associations is critical to supporting their business growth.
- Lobby policy makers, government and private sector players to draft policies to strengthen the current National policies addressing, Testing, certification, conformity, labelling of products, land ownership and equal rights to own and rent property hence helping to eliminate constraints of property ownership and access to collateral as well as harmonizing standards across countries.
- Strengthen trade measures that safeguard standards (e.g., regarding environment, safety etc.) licensing and certifications and transitional periods on tariff progression

XII. CONCLUSION

The researcher argues that the AfCFTA initiative is one of the most innovative, dynamic, and advanced trade agreements with the potential to couple the power of women and youths in trade. The willingness to give special momentum to free trade in 2023 is evidence of a strong commitment by African political leaders' policies and infrastructure that promote financial and economic inclusion for women and youths. Moreso, the study holds the view that the objective of the AfCFTA initiative is to attract investments in value-addition and to promote member states participation and integration in regional and global value chains, as well as to provide women and youth-owned businesses with important entry points to leverage AfCFTA opportunities, including access to investment and working capital, trade finance, production inputs and market information. The findings of the study reflect on ways to improve regional and continental integration frameworks from youth and gender perspectives. The study concludes by

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advocating for the African Heads of State through their membership to AfCFTA to provide a conducive environment for banks to establish branches and safer spaces that deal with women and youths loans without demanding collateral security, establish regional business hub to promote women and youth access to information and put in place mechanisms to promote exhibiting of skills and trade awareness for women and youths.

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