

Regional Trade Arrangements in Africa, Volume 763, 9781589064393 53 pages

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Regional trade arrangements (RTAs) in Africa have been ineffective in promoting trade and foreign direct investment. Relatively high external trade barriers and low resource complementarity between member countries limit both intra- and extraregional trade. Small market size, poor transport facilities and high trading costs make it difficult for African countries to reap the potential benefits of RTAs. To increase regional trade and investment, African countries need to undertake more broad-based liberalization and streamline existing RTAs, supported by improvements in infrastructure and trade... Regional trade arrangements (RTAs) in Africa have been ineffective in promoting trade and foreign direct investment. Relatively high external trade barriers and low resource complementarity between member countries limit both intra- and extraregional trade. Small market size, poor transport facilities and high trading costs make it difficult for African countries to reap the potential benefits of RTAs. To increase regional trade and investment, African countries need to undertake more broad-based liberalization and streamline existing RTAs, supported by improvements in infrastructure and trade... 4 Trade liberalization in the region had also been attempted under bilateral FTAs such as between India-Sri Lanka, besides India-Bhutan and India-Nepal.Â This agreement acquires greater significance because it is a regional trading arrangement between some of the least developed countries like Bangladesh, Bhutan, Maldives and Nepal and the developing countries like India, Pakistan and Sri Lanka located in one of the economically most underdeveloped regions of the world.