

AFRICAN UNION
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AFRICAN PASTORAL MARKETS
DEVELOPMENT PLATFORM
(APMD)

From Informal Livestock Corridors to Investable Trade Systems: *Accelerating Pastoral Integration under AfCFTA*

A 24-month corridor package to formalise livestock trade, reduce sanitary and phytosanitary (SPS)-related frictions, and attract private sector investment

Primary decision-makers: African Union Member States, Regional Economic Communities (RECs), the AfCFTA Secretariat, AU-IBAR, and relevant Industry Associations

Geographic focus: Selected priority pastoral trade corridors across Africa

Decision required: Endorse and fund a Corridor-Based Pastoral Livestock Trade Acceleration Package (0–24 months) across 3–5 priority corridors, with agreed mutual recognition steps and a delivery unit.

Key Messages

Core diagnosis

The pastoral livestock trade is already cross-border and economically significant, but remains poorly integrated into the African Continental Free Trade Area due to fragmented controls, inconsistent sanitary and phytosanitary enforcement, and high non-tariff costs that do not account for pastoral mobility.

Stakes

Africa exports over **USD 2 billion** annually in live animals, yet only about **21%** is traded within the continent. Over **94%** of sheep and goat exports go outside Africa, indicating major unrealised intra-African potential.

Actions

Designate **3–5 priority corridors**, introduce **risk-based** sanitary and phytosanitary compliance suited to pastoral systems, and incentivise formalisation through **contracts**, **finance**, and **predictable rules.**

Requirements

A corridor delivery unit, **joint** border **coordination**, mutually recognised **certification**, and **targeted** corridor support.

Expected Results (6–24 months)

Faster borders, higher formal **trade**, improved **traceability**, and increased **private investment**.

What decision is needed now?

Approve

i. The selection of three to five priority livestock trade corridors to be fast-tracked;
ii. A minimum mutual recognition package for animal movement and certification under AfCFTA Annex 7, and
iii. A 24-month delivery plan with a lean budget and clearly defined institutional accountabilities.

1. Problem and context

Pastoralism is a pan-African production and trade system spanning arid and semi-arid zones in at least 30 countries, supplying large shares of live animals, red meat and dairy, and supporting tens of millions of livelihoods dependent on mobility and cross-border exchange. Yet Africa's pastoral livestock trade remains weakly integrated into AfCFTA. Trade flows are driven largely by informal arrangements, ad hoc bilateral practices and reactive disease control measures, rather than by predictable and harmonised rules.

Why now: AfCFTA's credibility will be tested in sectors that already trade across borders at scale. Pastoral livestock is "low-hanging fruit" because the production and trade systems exist. What is missing is corridor-level coordination, effective risk management, and clear, predicatable rules that can attract investment.

Who is affected: Pastoral producers and traders bear high transaction costs and policy uncertainty; consumers face higher prices and supply volatility; governments face increased disease, and surveillance risks when trade shifts into informal routes (a low-trust equilibrium).

Scope: This policy brief focuses on corridor governance, Sanitary and Phytosanitary (SPS) alignment, incentives for formalisation and targeted corridor investments. It does not address broader national livestock reforms that are not directly linked to cross-border trade.

2. Evidence snapshot

- African live animal exports ranged between USD 0.96 and 2.0 billion annually between 2020 and 2024. Intra-African trade accounted for a substantial but declining share, falling from over 50% in 2021 to about 24% in 2024.
- Meat exports were ~USD 901m (2024) with only one-fifth destined for intra-African markets, while Africa imported ~USD 4.9bn in meat, suggesting regional integration constraints rather than weak demand.
- Dairy shows what works: ~73% of Africa's dairy exports traded within Africa, this is consistent with stronger processing capacity and more predictable standards/market access.
- IGAD, a major pastoral region, illustrates a recurring pattern: pastoral livestock trade exists, but mostly outside formal regimes due to fragmented governance, uneven SPS controls and low trust, driving informality as a rational response.



3. Policy options and trade-offs (including status quo)

Option 0 (Status quo): Fragmented national control with episodic coordination

What it is: Maintain current national permit/quarantine approaches and ad hoc bilateral fixes.

Benefits (who gains): Short-term political comfort; preserves discretionary control and fee/rent streams.

Costs/constraints: Continued unpredictability; high transaction costs; weak traceability; low private investment.

Risks/unintended consequences: Stricter controls without coordination may push trade further into informal routes, weakening surveillance and reinforcing a low-trust equilibrium.

Feasibility: High (as requires no reform), but low impact.

Time to impact: None (persistent constraints).

Option 1: Corridor-based trade governance under AfCFTA (REC-led)

What it is: A shift from isolated national controls to corridor-based governance with joint oversight, aligned procedures, and mutual recognition mechanisms.

Benefits : Traders and pastoralists gain predictability; consumers gain supply stability; regulators gain surveillance focused on actual movement patterns.

Costs/constraints: Requires inter-agency coordination, legal/administrative alignment, and confidence in neighbours' systems.

Risks/unintended consequences: Resistance from agencies reliant on discretionary border practices; potential capture if corridor governance is not transparent.

Feasibility: Medium to High (if limited to 3–5 corridors first and backed by political mandate).

Time to impact: 6–12 months for process predictability; 12–24 months for investment response.

Option 2: Risk-based, proportionate SPS compliance pathway tailored to pastoral systems

What it is: Implement graduated SPS controls consistent with AfCFTA Annex 7 and international standards (WOAH/Codex), prioritizing material risks rather than applying blanket restrictions.

Benefits : Enables pastoral inclusion without lowering protection; better disease management via targeted controls; and creates a clearer pathway to formalisation.

Costs/constraints: Requires technical capacity, functional surveillance and data systems, and agreedment on risk categorisation.

Risks/unintended consequences: If under-resourced, it may be perceived as "lowering standards"; if over-bureaucratised, it becomes another barrier.

Feasibility: High (subject to capacity, and most effective when implemented corridor-by-corridor).

Time to impact: 6–12 months to establish compliance pathways; 12–24 months for measurable trade effects.

Option 3: Market-incentive formalisation: contracts, finance and quality-linked pricing

What it is: Promote formal livestock trade through commercial incentives (contracts, pricing, and access to finance) rather than relying primarily on enforcement.

Benefits: The private sector can scale aggregation,logistics, and processing; pastoralists gain more predictable returns; governments expand formal revenue.

Costs/constraints: Requires enforceable contracts, , stable policies, and risk-sharing financial instruments.

Risks/unintended consequences: Potential concentration of benefits among large traders or processors if competition safeguards are weak, and exclusion of small actors if compliance costs are not phased.

Feasibility: Medium–High (if paired with Option 1 corridor governance and Option 2 risk-based SPS pathways).

Time to impact: 3–12 months for pilots; 12–24 months for scaling.

4. Recommendations

Fast-track 2–3 priority pastoral livestock corridors with a "*minimum viable corridor deal*"

Package elements:

i. **Corridor governance (core):** Establish REC-led corridor task teams; joint veterinary-customs border coordination; a Non-Tariff Barrier (NTB) resolution channel; and a corridor performance scorecard.
ii. **Risk-based SPS mutual recognition (enabler):** Introduce mutually recognised animal health certification and movement documentation for defined risk categories (with emergency protocols).
iii. **Market-incentive formalisation (enabler):** Facilitate structured public–private dialogue; and pilot contracting and finance models to support aggregation and reliable supply to processors and urban markets.

Sequencing

- **0–3 months:** Select priority corridors; appoint corridor leads; agree on a minimum documentation pacakge; establish a corridor delivery unit; and baseline current clearance times and informal/formal trade indicators.
- **3–12 months:** Launch joint border coordination; implement risk-based SPS pathways; pilot digital or standardised certification; and initiate two private-sector pilots focused on aggregation and offtake contracts.
- **12–24 months:** Expand to additional border posts and markets along the corridor; scale finance and risk-sharing instruments; and invest in targeted corridor infrastructure, including markets, holding grounds, veterinary services, and cold chain nodes.



Why this package beats alternatives

- It tackles the binding constraint of fragmented governance and SPS unpredictability at the corridor level, where pastoral trade actually functions.
- It aligns incentives. Traders formalise when predictability and returns improve, not when enforcement tightens.
- It is practical and affordable, as it begins with a limited number of priority corridors rather than attempting broad continental reform.



5. Implementation

Lead institution and coordination

- **Lead:** REC Secretariat, AfCFTA Secretariat and AU-IBAR.
- **Core coordination:** Veterinary services, customs/border agencies, trade ministries, local authorities, private sector associations, and platforms such as Africa Pastoral Market Development (APMD) for evidence, convening and investment matchmaking.

Delivery steps

1. **Corridor selection and mandate:** Choose 3–5 corridors based on existing flow potential and strategic market linkages.
2. **Minimum viable corridor deal:** Agree one harmonised document pack, inspection sequence, and emergency SPS response triggers.
3. **Joint border coordination:** Establish joint teams and weekly issue-resolution routines; publish simplified trader guidance.
4. **Risk-based SPS pathway:** Define risk categories; adopt proportionate measures consistent with WOAH/Codex and AfCFTA Annex 7.
5. **Private-sector pilots:** Contracting models linking pastoralists to aggregators/processors; introduce quality/compliance-linked pricing.
6. **Targeted corridor investments:** Market infrastructure, holding grounds, veterinary services, cold chain nodes and logistics.
7. **Data and transparency:** Create corridor dashboards (clearance time, fees, rejection incidents, volumes proxied), improving policy feedback loops.

Resource implications (order-of-magnitude; indicative)

- **Coordination/delivery unit:** USD 0.5–1.5m over 24 months (staffing, convening, basic systems).
- **Corridor SPS and data systems:** USD 1–5m (digital certification pilots, training, surveillance upgrades).
- **Targeted corridor infrastructure/services:** USD 5–20m per corridor, depending on starting conditions (markets, holding, cold chain nodes).

Note: These are planning ranges only and must be validated against corridor diagnostics and partner financing options.

Top 3 risks and mitigation

1. **Institutional resistance/rent displacement:** Mitigate through political mandate, transparency of fees, and compensatory revenue reforms.
2. **SPS credibility concerns:** Mitigate through WOAH-aligned risk analysis, phased compliance, and clear emergency protocols.
3. **Private-sector capture/exclusion of small actors:** Mitigate through competitive access rules for pilots, grievance mechanisms, and phased compliance support.

Conclusion

Pastoral livestock trade already operates as a significant cross-border African economic system. However, but AfCFTA will not unlock its full benefits without corridor-based governance, risk-based SPS pathways, and market incentives that make formal trade the rational choice. The immediate decision is whether to fast-track a limited number of priority corridors through a minimum viable corridor package and dedicated delivery unit, scaling impact over time, or accept continued informality, higher consumer prices, weaker surveillance and lost opportunities for intra-African value addition. If implemented within 24 months, the package can demonstrate AfCFTA's relevance to rural economies, attract private investment, and translate continental commitments into tangible income gains and improved food security.

References

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African Union – Interafrican Bureau for Animal Resources (AU-IBAR)
Kenindia Business Park
Museum Hill, Westlands Road
PO Box 30786-00100 Nairobi, Kenya
Tel: +254 (20) 3674 000
Email: *ibar.office@au-ibar.org*
Website: *www.au-ibar.org*