# Impacts of COVID-19 on Migration and Intra-African Trade

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**Abstract**

Migration, the movement either of persons or services across borders, dates back as the inception of the African Continent. Movement from the African Continent has continually been aided by several factors such as improved economy, better rights to life and livelihood, availability of basic amenities of life and infrastructure. These have pulled many young Africans to other continents as provision of these amenities is not relatively available in their home countries. Some, in an extreme bid to migrate, have had to go through unexplainable processes and ordeals, including loss of lives. The continuous movement and exchange of services have led to deliberate attempts to promote trading activities within the continent. A recent approach was the initiative of the Africa Union on Boosting Intra-African Trade (BIAT) with the inauguration of the Africa Continental Free Trade Area (AfCTA). This will support tariff reduction and easy access to information. Migration and Trading were severely affected by the outbreak of the Covid-19 pandemic with many countries enforcing lockdown except for essential services and products. Preventive measures to curtail the spread were implemented and there were several disruptions in trading causing economic meltdown and increased vulnerability. The outbreak also showed the vulnerability of the health and food systems in the continent.

There is therefore an urgent need for the rejuvenation of the African continent through the development of a viable policy framework that will bolster the economy, provide financial support for trading, and reduce the effects of the pandemic.

**Keywords:** Migration, trade, covid-19, remittance, Africa

**Introduction**

Migration may be defined according to International Organization on Migration (International Organization of Migration, 2015) as the movement of a person or a group of persons, either across an international border, or within a State. It is also as a form of relocation diffusion (the spread of people, ideas, innovation and from one place to another), involving permanent moves to new locations. Migration from the continent is as old as the continent itself. This is being relatively influenced due to the colonization of the countries in the continent by the European countries, thereby facilitating the movement of the citizens of the colonized nation into the country of their colonial masters.

Migration and trading go simultaneously and emanated in different forms. African slave trading and raiding could be the first form of migration in the countries of Africa, where indigenes are taken as slaves to global north countries for economic purposes. Back in the continent, interethnic conflicts and warfare characterized the evident movement of indigenes to a place different from their homeland. This turned out of be a bitter-sweet experience for migrants as some were fortunate to fall into good hands and some otherwise. The few fortunate ones experienced the goodness of the countries they migrated to with opportunities and facilities to improve their livelihood. Though, they may be slaves, their children have access to education and government opportunities. Ever since then, Africans have been involved in migration in some forms of migration to other parts of the globe in their search for greener pastures. This however, is not usually true as some experience life threatening danger and even death while going through the Mediterranean Sea and land borders.

Migrants have been harshly treated and some lost their lives when going through these routes. African youths migrate especially to the global North for various reasons as there are several push factors and pull factors. Youths are pushed for the non-availability of work opportunities, insecurity, corruption and weak institutions from African countries and are pulled to

global north countries with work and job opportunities, better pay, conducive and viable educational facilities.
According to the Diaspora Office in Nigeria, about 20 million Nigerian youth have emigrated to Europe and the United States (Wapmuk *et al*, 2014) as the push factors have not been addressed by the Nigerian government. Extreme hardship and poverty in their home countries are mainly the causes of this migration. This is also related to intra-African migration. South Africa is perceived to be a haven for migration by other Southern African nations as Nigeria takes about 60% of emigrants from other West Africa countries with 40% domiciled in Lagos, particularly for business purposes, while Ghana has been a haven for several Nigerians seeking educational opportunities.

However, the recent outbreak of the COVID-19 pandemic has relatively impacted both trade and migration. Restrictions were placed on movement of people, goods and services while only those who are involved in essential services were allowed to move. Countries placed different forms of restrictions and lockdown to curtail the spread of the virus in individual countries. This necessitated the need to redefine trading. Industries switched to manufacturing of personal protective kits and ensured that staff members are safe.

**Challenges and hazards of migration**

Emigrants in Africa have had to deal with various challenges and are continually exposed to hazards. About 10% of migrants are illegal emigrants (International Organization of Migration, 2015). The quest to migrate to the perceived greener pastures has made some to fall into the trap of fake travelling agents who swindle them. For the fortunate ones, after successfully migrating, they begin to experience several challenges and hazards. The recent ethnic xenophobia in South Africa, racism in the global north, police brutality targeted against coloured people especially blacks in the United States. The blacks, not only Africans, are usually abused because of the colour of their skin. Police harassment and other forms of discomfort, just as the recent incidence in America which led to protests running into weeks. Illegal emigrants are usually hit with untold hardship, hunger, lack of clean drinking water, diseases, lack of very humane accommodation amongst others.

**Effects of migration**

Migration as it had been established, remain critical to national progress and prosperity, for it comes with both economic gains and/or losses to both the source and destination countries (United Nations Development Program (UNDP, 2009) and United Nations Department of Economics and Social Statistics (UNDESA, 2012). International migrants, African migrants inclusive, contribute a great deal to the growth and development of their home countries as they remit their accumulated financial and human capital. This would go a long way in boosting foreign investment of their countries of origin, create wealth and generate a plethora of employment opportunities.

Remittance by international migrants has always been either formal or informal. The World *Bank Migration and Remittance Report 2019* reported that remittance has progressively risen over the years by Nigeria's international migrants to about $23.03 billion. This is the highest in the sub-Saharan region. Informal remittance has been in kind through sending of clothes or cars by migrants (Hernandez-Coss 2006, 2-3).

**Trading in Africa**

Intra-African trading is one of the continental bonding between nations in the continent. The intra-African trade was 18% in 2014 and it declined to average to 15.5% by 2017, which is the lowest in all global regions (IMF, 2019). The African Union recognized eight regional economic communities (RECs), four of which—EAC (East African Community), ECOWAS (Economic Community of West African States), COMESA (Common Market for Eastern and Southern Africa) and SADC (South African Development Community)—have made important progress at regional integration, while the remaining four-UMA(Arab Maghreb Union), CENSAD (Community of Sahel-Saharan States), IGAD 2 (Intergovernmental Authority on Development), ECCAS (Economic Community of Central African States) are struggling with the very first step in the process (Sy 2014). The EAC (East Africa) was the best performer with an average of 20.1% as her customs union was launched in January 2005, common Market Protocol entered into force in July 2010, and the protocol for the establishment of a monetary union was signed in November 2013. SADC has witnessed a steady progress but missing various milestones while others shared between 1 – 10%. In 2018, the continent's share of world exports was 2.5% which is lower than Africa's share of global Gross

Domestic Product (3%) and well below the continent's share of 17% of world population (UNCTADStat).

Trading within Africa has been evolving with several challenges which definitely affect trade performances. The trade policies are highly protectionist and entailed severe anti-export bias, therefore making trade facilitation poor. There are limited interconnected links including communication and transportation links. The absence of interconnected transport links of rail, sea, land and air, poor infrastructure at ports, rigid and no domestication of standards and indexes are a few of the challenges affecting intra-African trade. The unavailability of standards has compelled nations to use external standards thereby making exchange of goods difficult, even among African countries. These similarly influence and affect the cost of trading which is resultantly high.

Efforts to remove bottlenecks and improve trading in Africa among the countries led to the commencement of the Trade facilitation process. The World Trade Organization (1998) defined trade facilitation as - the simplification and harmonization of international trade procedures, where trade procedures are the ―activities, practices and formalities involved in collecting, presenting, communicating and processing data required for the movement of goods in international trade.

Trade facilitation is usually achieved by regional integration which is defined as an arrangement between two or more countries to cooperate, through formal, regional rules and institutions to: overcome barriers to the flow of goods, services, capital and people across borders, manage shared resources, and/or achieve peace and security in the region. It is also enhanced by the availability of Free Trade Area where tariffs between member countries are significantly reduced or completely eliminated. The Africa Continental Free Trade Area (AfCFTA) was inaugurated in July 2019 and it is a key instrument in the Africa Union's Action Plan on Boosting Intra-African Trade (BIAT), adopted in 2012. Fifty-four countries have signed up to be part of the AfCFTA agreement with only one out of the four phases that have been concluded.

**Trading in Africa during COVID-19 pandemic**

The world was hit with the outbreak of coronavirus by the end of 2019. Almost all countries in the world have experienced an outbreak of the virus.

Africa has been hardly affected since the outbreak of the pandemic. The economic crisis induced by COVID-19 is very glaring and deeper than imagined. Fast-spreading contagion, very high fatality rates, inadequate medical facilities owing to the novel nature of the pandemic, and a lack of vaccine prompted every country to impose lockdown at the start of the pandemic with reduced business hours and practice of social distancing. International Monetary Fund (IMF) says the devastation will be worse than expected as the virus outbreak forced shops and businesses to be shutdown affecting about 40% of the global economy.

The economic crisis induced by COVID-19 could be even longer, worse, and more pervasive than the estimates given. In most countries, the COVID-19 crisis has created additional challenges in sectors that depend on the availability of migrant workers. Migrant workers tend to be particularly vulnerable, more than native-born workers, to getting unemployed and wages during an economic crisis in their host country. The crisis has disproportionately impacted critical sectors including food and hospitality, retail and wholesale, tourism and transport, and manufacturing. There are signs of labour shortage on jobs reserved specifically for migrants, a perfect example is the agricultural sector. There is a foreseen food shortage in the second half of the year 2020 due to the seasonality of agriculture.

The continent was also not prepared as there was lack of sufficient medical preparedness. Nigeria's healthcare system has been one of the weakest in the world despite being Africa's biggest economy (Lancet series, 2016). A quick response by the countries was to divert the scare resources to improve the health sector. Countries globally not excluding countries in Africa adopted a series of trade and border management to try to curtail the disease across borders. There were sharp lockdowns at ports and border entries. Effects of these closures in Africa and attendant economic effects are well documented; global demand of commodities shrunk, lenders shut in and unable to monitor lending, lower commodities and prices affected price and loan repayment capacities, commodity based economies have faced currency devaluation. It is necessary for Nations to understand they can not manufacture and supply all they need and looking inward by individual countries would not help fight against COVID-19 as there are already disruptions in supply chains. Export restrictions could trigger a spiral of retaliations, and insular policies will also fail to foster economic recovery during this period. All these have affected trading in Africa at this period.

There is therefore the need to have strategies to mitigate the effects of COVID-19 on the economy. Countries must understand that economic recovery will not happen from within and trading will have to continue. Countries will have to find ways by which commodities will be available from various countries where these commodities are available. Understanding and accepting this will give way to economic recovery. Some of the usual procedures and formalities especially for very essential products and use of border agencies' cooperation to facilitate the import and export of critical supplies such as medicine and food items to ease the movement of these essential products to destination country will have to be relaxed. Working hours will necessarily be made flexible by possible extension at border points to facilitate continuous and unrestricted movement of goods and supplies to meet the demands as businesses return to partial or full operations and processes. Infrastructural development that will propel information technology for trading and sharing trade-related information should be a top priority for countries. Faster information regarding the availability of products can easily be shared with adequate information and technology.

Countries will have to collaborate on the availability of products and supply made to where the products are needed. At entry points, desk officers will have to be stationed to provide necessary, adequate and useful information for those in the trade chain to fast track for take-up of the products. Government of countries will have to have increase dialogue with the industry as industry remains the organ of economic recovery and stability. Industries that are mostly involved in trade have different needs and the Government needs to understand their peculiarities and challenges. Dialoguing with the industry players will enable the government of countries to make appropriate policies and decisions that will facilitate trade and economic recovery at this period. Despite the impossibility of the Africa Continental Free Trade Area (AfCFTA) to be fully inaugurated as desired, the General Secretary viewed that should the inauguration be held in January 2021, the aims of the FTA will yet be accomplished. This will further enhance trade facilitation among African countries.

**Agricultural trading in Africa**

Agricultural practice is an old practice in Africa. It has evolved in different forms, however subsistence and peasant farming still remain dominant.

Smallholder farmers (SHF) make up to 80% of African farmers as against their counterpart in the Europe who are about 65% of the farmers. The production of SHFs in Africa contributes about 90% to total food consumption while in Europe, 0.5% is accounted to SHFs (UN, 2013). Similarly, intra-African total food trade is at 12% while in Europe, it is 85% (IFPRI, 2017). Significantly, banking lending capacity to SHF is low in Africa. Only 1% of the continent's fund goes to SHF in Africa, while in Europe 3.5% is allocated to Small Holder Farmers (FAO, 2018). To this effect, The Africa Continental Free Trade Area (AfCFTA) was inaugurated to address and bridge these existing trading gaps. Within countries, SHFs are faced with various challenges. Climatic risk is a major challenge for SHFs in Africa as they do not have influence over climatic conditions, some do not have good perception of climatic changes and some atmospheric conditions are pest friendly. Heavy downpour can atimes leads to flooding, thereby affecting agricultural produce and yield. Repeated market fluctuations affect prices of products, demand and supply for some products, thereby influencing profit margins. Government regulations on some products limit price determination and forecast which make the farmers to be limited in decision making.

The practices of SHFs have been majorly with the use of farm implements and Farmers' activities are limited and as such they do not attain full potential. Infrastructure utilized are crude, thereby limiting activities, processing and storage of farm products. Funding as continued to be a challenge to SHFs as lenders have poor literacy about agricultural practices. Lenders do not really understand that the factors affecting farming is different from that of another business sector. The issuance of the same conditions for lending have not been favourable to farmers and this remains a challenge.

They oftentimes would not want to lend as recovery and litigation processes may take a long while and most farmers do not have the financial capacity for collateral. These conditions have stayed the entry of investors into the farming sector. It is worthy of note to make the various financing opportunities avail to farmers and these include: government bonds, regional collaboration, loans (grants from International agencies) and Public-Private Partnership.

As a continent, the absence of intra-continental transportation system and local transport infrastructure mar the movement of farm produce within countries and for export purposes. The unavailability of linking transport systems (air to land, rail to sea) all together affect the movement of produce to destined locations or countries. Agricultural produce usually have various constituents which have valuable end products, however, low processing capacities of farmers in the continent limit the derived end products. Some are taken in their raw form to other continents and when imported, they are relatively expensive or some are left to rot. This increases food shortage and wastage. Also, the presence of middlemen in the value chain interferes the interaction of farmers and processors. The farmers are not usually knowledgeable and empowered to take decisions on their produce. The middlemen control the price which are not always favourable to the farmers but profitable to the middlemen and consumers are left to bear the brunt. And since, the farmers, are incapacitated, they are left at the mercies of the middlemen. They take whatsoever they are given. The processors at other times, do not know these farmers but the middlemen. The farmers because of their poor agricultural knowledge do not know what each produce offers. They are primarily concerned about the primary product that will be gotten from the produce. This knowledge is obtained through traditional mode of learning. This further reduces their earning capacity and potentials.

Similarly, information is also key. Information need to be disseminated across the countries of what is available in each country. This will solve the issue of unavailability of a particular produce in another country.

Though Africa is an independent continent, we are yet to attain independency of standards and currencies, used in determining significant agricultural produce. Standards and currencies in other continents are specific and determined to suit needs of the citizenry, however, this is not so in Africa. We rely on agencies and bodies outside to set standards and guidelines and determine what is good for us. There is need to understand that several factors will influence the standards set in those continents which are not necessarily in tandem with Africa countries. Using these standards will set at bar some produce which would have been naturally accepted and made available to another African country. Similarly, using foreign currencies will affect pricing, costing and exchange processes of agricultural produce.

**Improving agricultural trade and practices in Africa**

Agricultural practice involves several actors in the value chain. Improving agricultural trade and practices will improve the fortune of farmers, produce availability and trade across the countries. These will directly improve contribution to GDP. Investment is also key to improving agricultural practices in Africa. Investing in rural storage facilities, road network and commodity exchange to promote price stability and farmers' income will directly influence farmers' return on business. Financial and agricultural literacy for both farmers and lenders will enhance better understanding thereby reducing the risks associated with agricultural lending and practice. Extension workers have crucial roles to play as they are knowledgeable in both and making good financial conditions including interest proportions to the farmers and lenders. Agriculture insurance will become ubiquitous, affordable and reliable prompting private sector investment in agro-processing. Continent wide approach will involve kick starting process towards having a continental accepted quality standardization mechanism, commercialization of agricultural insurance and development of commodity exchange. Interlinking transportation infrastructure will help move produce from farms which are usually in the rural areas to urban centres and through country borders to destination countries.

The COVID-19 pandemic has necessitated the need for some decisions to be including lockdowns and restrictions. These decisions need to be reconsidered particularly for agricultural activities which will provide buffer for farming and produce availability. Central banks are to ensure banks with agricultural components do not retreat as a result of loan losses due to the lockdown by reviewing prudential guidelines. Governments should manage price and market stability through strategic grain reserves, which will make food available and affordable and transnational borders should return to full operation as prior to lockdown.

**Conclusion and Recommendations**

Migration is a major issue with the youth in Africa seeking greener pastures outside which are not necessarily true at all times. The governments in Africa need to arise to address the push factors by making viable developmental policies that will raise the standard of living. Development of a viable policy framework that would harness remittances into generating capital for productive investments for the growth and development of which would create employment opportunities in the homeland. With Covid-19 pandemic, there should be short, middle and long-term support for stranded migrants, improved access to health and remittance infrastructure.

Trading in Africa will improve with the full implementation and signature of the African Continental Free Trade Area (AfCFTA). This will facilitate trade among countries and help bridge existing trade gaps. Border management will need to be improved to facilitate trading, information dissemination and movement of goods. The continent needs to develop quality standardization, interlinking transport system, invest in storage facilities and processing capacities. Agricultural literacy for all involved in the value chain will improve finances for farmers, thereby increasing food availability.

The COVID-19 pandemic has negatively influenced trading in the continent and sharp lockdown were implemented to curtail the outbreak. Countries need to understand that managing the COVID-19 pandemic is a collective effort. Trading activities also need to return earliest to mitigate the effects of the lockdown.

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