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Page: 6

AFRICA'S TRADE REQUIRES GOOD ROADS AND RAIL

AT the African Ports and Rail Evolution conference in Durban on Tuesday, Sibusiso Ngobese, an economist with the Export Credit Insurance Corporation, said inadequate or failing road and rail infrastructure and poorly functioning logistics lead to high trading costs and low trading volumes in Africa.

"The quality of infrastructure is a key pillar of international competitiveness," Ngobese said.

He said the African Free Trade Agreement held promise for the free movement of people and investment to boost intra-African trade, but the continent needed an estimated infrastructure investment between $174 billion and $240 billion per year on roads, rails and ports over the next 25 years

Event organiser Daniel Bloch told Fin24 that international delegates are keen to partner with African rail and port authorities.

Bloch said overseas companies are eager to connect with role players in Africa, looking for opportunities in, among others, the arts and crafts, agriculture and clothing industries.

"The challenge for greater intra-African trade is that not every African country is keen to open up to free trade," he said, adding that international companies have a more strategic approach when choosing wich African countries to do business in. — Fin24

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