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Making regional value chains work: Lessons from AFCFTA

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1. Introduction

Much before the COVID-19 pandemic put severe strain on global value and supply chains, there was renewed emphasis on the importance of building stronger local and regional value chains (RVCs). Recognition of the importance of developing RVCs has been spurred by the increasing frequency of trade conflicts and uncertainty in global markets. This is in addition to the skepticism that participation in global value chains (GVCs) leads to opportunities for greater value-addition and structural transformation for developing countries¹. New production technologies have also enabled less fragmentation and more local production, and the ‘backshoring’ of production activities to home countries.² The changing geography of trade or the rise of the ‘Global South’ has also seen the emergence of polycentric trade, with multiple end markets in domestic, regional and global value chains.³

It is within this context that the African continent has developed several policy tools to promote regional integration and stronger RVCs. These efforts date back to the 1980 Lagos Plan of Action setting out a vision to implement an integrated African market by the year 2000; the 1991 Abuja Treaty establishing the African Economic Community to create a customs union, a single market, and an economic and monetary union through regional economic communities as key building blocks; the African Union’s 2008 Accelerated Industrial Development for Africa amongst many other continental efforts.⁴

More recently, in March 2021, the continent launched the African Continental Free Trade Area agreement (AfCFTA) as an additional new tool to connect and integrate Africa’s economies. The AfCFTA, which commenced on 1 January 2021, focuses on creating a free trade area and promoting industrial development through diversification and RVC development, amongst other objectives.⁵

Despite these efforts, there is limited progress in integrating the African continent through stimulating intra-regional trade with many regional economic communities on the continent having poorly developed value chains with weak factor markets.⁶ The share of trade with countries within regional economic communities in Africa lies well below that of regional economic communities in Europe or Asia, making Africa one of the least trade integrated regions worldwide.⁷ This has been argued to be due to several challenges including

¹ Boys, J. and Andreoni, A. (2020). Value chain directionality, upgrading, and industrial policy in the Tanzanian textile and apparel sectors. WIDER Working Paper 2020/93. Helsinki: UNU-WIDER.

² Dachs, B. and Pahl, S. (2019). ‘Are global value chains in decline?’ Global Investments and Local Development. The London School of Economics and Political Science. Available at: <https://blogs.lse.ac.uk/gild/2019/07/26/are-global-value-chains-in-decline/>.

³ Horner, R. and Nadvi, K. (2017). Global value chains and the rise of the Global South: unpacking twenty-first century polycentric trade. *Global Networks* 18(2).

⁴ Byiers, B., Apiko, P. and Karkare, P. (2021). The AfCFTA and industrialisation: from policy to practice. Discussion Paper No. 314. Political Economy Dynamics of Regional Organisations in Africa (PEDRO); Das Nair, R. (2022). Southern African regional value chains and integration. Oxford University Press Handbook.

⁵ Byiers, B., Apiko, P. and Karkare, P. (2021). The AfCFTA and industrialisation: from policy to practice. Discussion Paper No. 314. Political Economy Dynamics of Regional Organisations in Africa (PEDRO)

⁶ Christiaensen, L. and Demery, L. (2018). *Agriculture in Africa. Telling Myths from Facts*. Washington, DC: World Bank Group.

⁷ Das Nair, R. (2022). Southern African regional value chains and integration. Oxford University Press Handbook.

inadequate information and infrastructure, a lack of support services, poor productive capacity, and weak institutions, which all contribute to driving up transaction costs, thus hampering productivity growth and leading to price volatility.⁸

We argue that these factors, while relevant, do not fully explain why RVCs remain underdeveloped in Africa. This brief argues and provides a more nuanced understanding on the impact of competition and the exertion of market power by dominant firms in selected value chains on the development of productive capabilities as a critical factor challenging the building of stronger RVCs in Africa. Abuse of market power by dominant or large lead firms impacts on the ability of other players in the value chain to build capabilities and to upgrade. Firms with substantial market power can earn returns from the exertion of this power, either through exploiting consumers or by excluding rivals. Such conduct serves to protect their positions and has the potential to weaken economy-wide investment and to prevent new and innovative business models and products from being produced.⁹ These issues are particularly or more important in the context of African countries which are characterized by small and medium-sized firms trying to build capabilities to effectively compete in value chains. This perspective is largely missing in the discourse on RVCs.

This brief draws from industry-level case studies of fertilizer, animal feed-to-poultry, sugar-to-confectionery, and supermarkets across selected countries from the Southern African Development Community (SADC). These are used to illustrate how established large lead firms can exercise their market power to charge prices which are above competitive levels for key intermediate inputs to industrial sectors with the effect of stifling growth at other levels of the value chain. These case studies were selected as they represent key industries in the region, with powerful multinational lead firms that have a significant impact on participation and upgrading within the value chain, and therefore the development of RVCs.

2. Understanding market power dynamics, competition, and productive capabilities

Understanding how regional markets (and RVCs) can be developed requires analysing the extent of competition (the market structure, market power and conduct of firms, even across borders), and competitiveness (the development of productive capabilities).¹⁰ The balance of power at different levels of the value chain is important for understanding how markets are shaped. The analysis of market power considers how the features of an industry, including economies of scale and scope, network effects and information

⁸ Byiers, B., Apiko, P. and Karkare, P. (2021). The AfCFTA and industrialisation: from policy to practice. Discussion Paper No. 314. Political Economy Dynamics of Regional Organisations in Africa (PEDRO); Makgetla, N. and Levin, S. (2021). Regional value chains and industrialisation: the southern african experience. Transforming Southern Africa: Harnessing Regional Value Chains and Industrial Policy for Development. UNCTAD United Nations.

⁹ Mondliwa, P., Roberts, S., and Ponte, S. (2021). Competition and Power in Global Value Chains. *Competition & Change*, 25(3/4), 328-349. <https://doi.org/10.1177/1024529420975154>; Banda, F., Robb, G., Roberts, S. and Vilakazi, T. (2015). Review Paper One: Key debates in competition, capabilities development and related policies: drawing the link between barriers to entry and inclusive growth. Johannesburg: Centre for Competition, Regulation and Economic Development.

¹⁰ Paelo, A., Roberts, S., Simbanegavi, W. and Vilakazi, T. (2020). Understanding the role of competition in rethinking regional integration in Africa for inclusive and sustainable development. Johannesburg: Centre for Competition, Regulation and Economic Development.

asymmetries, provide the scope for strategic behaviour on the part of dominant firms.¹¹ This involves analysing the investment, production, and pricing decisions of large lead firms, some of which are part of international corporate groupings.

A commonly cited challenge around trade and development is that while regional integration focuses largely on removing barriers to trade, this can mean little if not accompanied by measures to develop productive capabilities.¹² Part of the development of strong RVCs is to ensure the inclusion of effective rivals in value chains that can contest not only in national markets but also plug into respective value chains at the regional level. This requires governments to rethink their current industrial strategies to encourage investment and to increase productive capacity to export into the wider continental market.¹³

Building resilient RVCs requires linked medium- and long-term investments in productive capabilities, and this in turn is affected by power dynamics along value chains which impact who upgrades and what type of upgrading occurs. We discuss how these dynamics play out in the industry-level case studies of fertilizer, animal feed-to-poultry, sugar-to-confectionery, and supermarkets across selected countries in SADC.

2.1. Power over pricing and access to inputs

Market power of large lead firms, whether exerted unilaterally or through coordination with each other, causes harm to consumers and, where products are intermediate inputs to downstream industries harms economic development. Lead firms are those that operate at particular functional positions along the chain and that are able to shape the decisions and activities of other actors along the chain. They control decisions about what to produce, how to produce, how much to produce and at what point in time.¹⁴ The importance of these firms mean they have considerable power over their suppliers and customers and as such they can shape and influence markets.¹⁵

Drawing from the examples of sugar-to-confectionery and animal feed-to-poultry value chains in Zambia and South Africa, we show that large lead firms exert market power to raise the price of key inputs to stifle downstream processing industries and activities. Exertion of market power in key inputs raises the costs of production with implications for participation and upgrading, as well as constraining productive capabilities of efficient rivals and new entrants.¹⁶

¹¹ Mondliwa, P., Roberts, S., and Ponte, S. (2021). Competition and Power in Global Value Chains. *Competition & Change*, 25(3/4), 328-349. <https://doi.org/10.1177/1024529420975154>.

¹² Byiers, B., Apiko, P. and Karkare, P. (2021). The AfCFTA and industrialisation: from policy to practice. Discussion Paper No. 314. Political Economy Dynamics of Regional Organisations in Africa (PEDRO)

¹³ Ibid.

¹⁴ Gereffi, G. and Fernandez-Stark, K. (2011). Global value chain analysis: A primer. Center on Globalization, Governance & Competitiveness (CGGC), Duke University, North Carolina, USA; Gereffi, G. and Lee, J. (2012). Why the world suddenly cares about global supply chains. *Journal of Supply Chain Management*, 48 (3); Gereffi, G. and Lee, J. (2014). Economic and social upgrading in global value chains and industrial clusters: Why governance matters. *Journal of Business Ethics* 133(1), 25-38; Humphrey, J. and Schimtz, H. (2002). Developing country firms in the world economy: Governance and upgrading in global value chains. *Regional Studies*, 61/2002.

¹⁵ Mondliwa, P., Roberts, S., and Ponte, S. (2021). Competition and Power in Global Value Chains. *Competition & Change*, 25(3/4), 328-349. <https://doi.org/10.1177/1024529420975154>.

¹⁶ Makgetla, N. and Levin, S. (2021). Regional value chains and industrialisation: the southern african experience. *Transforming Southern Africa: Harnessing Regional Value Chains and Industrial Policy for Development*. UNCTAD United Nations.

In the case of sugar, the SADC region has seen significant growth in demand for processed sugar confectionery products because of increasing urbanisation. South Africa and Zambia are large net exporters of industrial sugar, the main input into sugar confectionery products. Both countries are well placed to exploit opportunities associated with access to low-cost sugar to develop low- to medium-technology value-added products in the sugar and baked confectionery value chain.¹⁷ However, although medium-sized Zambian and South African confectionery manufacturers have displayed production capabilities to replace deep-sea imports, they are challenged by a combination of power-related barriers at different levels of the value chain, complex national and regional regulatory frameworks influenced by lobbying of large players, and other political economy issues related to the highly protected nature of the sugar industry globally.¹⁸

Zambia is one of the lowest-cost sugar producers in the region but has some of the highest-cost industrial sugar in the world which impedes the development of downstream confectionery businesses. Zambia's production of sugar is highly concentrated with one miller, Zambia Sugar (a subsidiary of South Africa's Illovo Sugar, now part of Associated British Foods).¹⁹ From 2008 to 2012, the Zambian Competition and Consumer Protection Commission investigated the pricing of industrial sugar by the monopolist sugar miller on the allegations that it charged excessive prices for industrial sugar to downstream sugar confectionery manufacturers. In 2017, Zambia Sugar was found to have engaged in unfair pricing against selected household sugar consumers as well as price discrimination among industrial sugar users and household sugar consumers with no reasonable justification.²⁰ Industrial sugar users were categorised and discriminated based on volumes purchased, whereby industrial customers that purchased higher quantities were found to have paid more for industrial sugar than those that purchased smaller quantities. The majority of these industrial customers were beverage and confectionery manufacturers.²¹

Such exploitation of market power by large lead firms in the sugar industry makes downstream businesses uncompetitive vis á vis imports hampering greater industrialization necessary for RVC development. This market power is reinforced by a lattice of complex national and regional legislations and policies aimed at protecting the industry from cheap imports of sugar from heavily subsidized exports from countries like India and Brazil. Large millers influence some of this legislation through lobbying, which serves to protect the rents that they can extract from the value chain.²²

The regional animal feed-to-poultry value chain is also a fitting example of how lead firms in vertically integrated value chains can exert their market power to raise prices of key inputs to downstream producers. The South African and Zambian poultry and animal feed production industries are concentrated and, in many cases, vertically integrated with cross-

¹⁷ Das Nair, R., Nkhonjera, M., and Ziba, F. (2017). Growth and Development in the Sugar to Confectionery Value Chains in Zambia and South Africa. Johannesburg: Centre for Competition, Regulation and Economic Development; Paremoer, T. (2021). Exploring linkages and opportunities in the agro-processing sector across five SADC countries. Transforming Southern Africa: Harnessing Regional Value Chains and Industrial Policy for Development. UNCTAD United Nations.

¹⁸ Das Nair, R., Nkhonjera, M., and Ziba, F. (2017). Growth and Development in the Sugar to Confectionery Value Chains in Zambia and South Africa. Johannesburg: Centre for Competition, Regulation and Economic Development

¹⁹ Ibid

²⁰ <https://diggers.news/business/2017/10/12/ccpc-fines-zambia-sugar-k76m-for-unfair-pricing/>

²¹ <https://diggers.news/business/2017/10/12/ccpc-fines-zambia-sugar-k76m-for-unfair-pricing/>

²² Ibid

border ownership.²³ Power in the poultry value chain emerges from the deep vertical integration by large poultry producers through several levels of the value chain, such as in breeding stock, soya production, animal feed, broiler production, and abattoirs. The large producers' vertical integration allows them to leverage market power at specific points of the value chain to determine the terms of participation for other firms.²⁴

Small- and medium-sized poultry producers are dependent on vertically integrated large poultry producers for inputs and key markets. This high degree of vertical integration (and cross ownership) affects businesses operating at single levels of the value chain, as they are dependent on the incumbents for access to inputs at reasonable prices. Competitive production of the final output requires access to low-cost primary inputs from agriculture.²⁵

There are also emerging competition concerns upstream of the poultry value chain into soya production and trading in key producing countries like Malawi. Malawi has experienced significant growth in the production and trade in soyabean over the last three years, with opportunities to generate increased cross-border trade to unlock value adding capabilities in the animal feed to poultry value chain. However, recent evidence points towards large traders, who are linked to large oil, animal feed and poultry producers, extracting large margins from the trade of soya bean. This has meant that smaller scale downstream producers of animal feed and poultry are met with higher input costs, impacting on their ability to compete at the retail level.²⁶ Similarly in South Africa, there has been competition concerns around collusion and exclusive supply agreements by incumbent poultry producers with the effect to raise prices of key inputs and to create barriers to new entrants.²⁷

The third example of how market power can undermine value chain development is in fertiliser markets. Cartel conduct or collusion in key input markets such as fertilizer affects downstream farmers through raising the costs of agricultural production with serious implications for regional food security. This is even more important in the context of climate change, which is putting pressure on sustainable regional food production. In the case of fertilizer, the region is a net importer of fertilizer and South Africa is a key exporter of nitrogenous fertilizers to the region. Large fertilizer companies in South Africa, namely Sasol, Omnia, and Kynoch were found by the Competition Commission of South Africa to have engaged in anti-competitive practices such as price fixing and market allocation until around 2006.²⁸ Sasol (which is vertically integrated from ammonia to blending and distribution of fertilizer) made collusive arrangements with its main buyers Omnia and Kynoch to fix prices and allocate markets.

²³ Fessehaie, J., Roberts, S. and Takala-Greenish, L. (2015). Key findings from case studies of mining capital equipment, infrastructure inputs and soy agro-processing in Southern Africa and implications for regional industrial development agenda. Johannesburg: Centre for Competition, Regulation and Economic Development.

²⁴ Mondliwa, P., Roberts, S., and Ponte, S. (2021). Competition and Power in Global Value Chains. *Competition & Change*, 25(3/4), 328-349. <https://doi.org/10.1177/1024529420975154>.

²⁵ Ibid

²⁶ Interviews with small poultry producers in Malawi, 4 March 2022.

²⁷ Ncube, P., Roberts, S., Zengeni, T. and Samboko, P.C. (2017). Identifying growth opportunities in the Southern African Development Community through regional value chains: The case of the animal feed to poultry value chain. Johannesburg: Centre for Competition, Regulation and Economic Development.

²⁸ Makhaya, G. and Roberts, S. (2013). Expectations and outcomes: considering competition and corporate power in South Africa under democracy. *Review of African Political Economy*, 40:138, 556-571.

These uncompetitive behaviours do not only lead to the weakening of the bargaining power of independent downstream customers in the blending and distribution of fertiliser, but artificially and illegally raise the price of fertilizers supplied locally and to the SADC region. The case revealed that various committees and 'export clubs' were set up to jointly control and monitor export volumes. Arrangements with traders were an important part through which coordination worked across countries.²⁹ Similar conduct was unearthed in Zambia, where the Competition and Consumer Protection Commission of Zambia found Omnia Zambia Limited and Nyiombo Investments Limited to have rigged government contracts for fertilizer supply between 2007 and 2011.³⁰ While a few players were investigated and implicated in collusive schemes, whether similar collusive activities occurred in other countries, or whether there were impacts in the form of cartelized exports, has not been investigated outside South Africa.

2.2. Power over routes to market

Efforts to promote regional integration and RVCs are based on creating access to larger markets for both large- and small-scale producers and processors. Interventions to develop capabilities of producers in RECs are pointless if these firms are unable to access end markets in their own country, and in other countries.

The growth and spread of supermarkets opens up larger markets for suppliers to attain the scale to potentially become more competitive in national, regional, and international markets. Supermarkets have evolved to become global sourcing companies and have important implications for regional sourcing, a potentially powerful avenue for growth in agro-processing and manufacturing value chains.³¹

In Southern Africa, the expansion of supermarkets as an important route to regional markets is driving changes in the trade of food and household consumable products within the region. A handful of large and powerful South African supermarket chains have grown and spread into the region since the 1990s.³² However, a combination of increasing retail concentration and significant barriers to entry limits the choices that suppliers have in terms of the competing means of distributing their goods across many countries. Supermarkets, as key buyers, often act as 'gate-keepers' to access consumers. These chains determine who is able to supply them and have shaped the development of suppliers through procurement and other requirements of food safety, cost, volumes, quality, consistency and packaging, amongst others. While providing substantial opportunities for regional food and light manufacturing, several studies have also shown that SMEs in particular struggle to meet these requirements.

Challenges are compounded by concerns of the abuse of buyer power by the large supermarket chains. Supermarkets are able to exert their buyer power over suppliers through various practices and trading terms. These include charging a range of fees (e.g.,

²⁹ Mondliwa, P., Roberts, S., and Ponte, S. (2021). Competition and Power in Global Value Chains. *Competition & Change*, 25(3/4), 328-349. <https://doi.org/10.1177/1024529420975154>.

³⁰ Ncube, P., Roberts, S. and Vilakazi, T. (2015). Study of Competition in the Road Freight Sector in the SADC Region - Case Study of Fertilizer Transport and Trading in Zambia, Tanzania and Malawi. Johannesburg: Centre for Competition, Regulation and Economic Development.

³¹ Das Nair, R. (2021). The internationalisation of supermarkets and implications on suppliers in Southern Africa. *Transforming Southern Africa: Harnessing Regional Value Chains and Industrial Policy for Development*. UNCTAD United Nations

³² Das Nair, R. and Chisoro, S. 2017. The expansion of regional supermarket chains: Implications on suppliers in Botswana and South Africa. UNU-WIDER Working Paper 2017/26. Available at: <https://www.wider.unu.edu/publication/expansion-regional-supermarket-chains-0>.

listing/support fees, rebates, advertising allowances, promotion fees, settlement discounts, new store openings fees) as well as other practices that impose costs on suppliers such as late payment, and onerous return policies. These practices have been estimated to shave 8 to 12% off the price that suppliers receive, imposing a strain on SME supplier margins.³³ If supermarkets can use their buyer power to capture the difference between suppliers' average total costs and short-run variable costs, redistributing short-term rents undermines the ability and incentives of suppliers to reinvest and improve productive capabilities.³⁴

In addition, the bargaining power of supermarkets has the effect of undermining smaller suppliers and leading to concentration at the level of food manufacturing. Larger manufacturers with 'must stock' brands have countervailing bargaining power, while smaller suppliers are in a weaker position.³⁵ The substantial market power of supermarkets has led to a number of competition matters including market inquiries in South Africa, Kenya, Botswana and Zambia; cases relating to exclusive leases in South Africa; and examinations of buyer power over suppliers through newly introduced buyer power legislation in South Africa and Kenya. Countries like Kenya also have a retailer code of conduct, while Namibia introduced the Namibian Retail Charter in 2016.

3. Policy implications for the AfCFTA

The examples provided above highlight that the exertion of market power by dominant firms not only limits the upgrading and development of productive capabilities within and across firms, but can also extend beyond national borders, with the effect of curtailing greater industrialization efforts within the region. Effective regional competition enforcement therefore is an integral component to address issues of market power and to build resilient RVCs.

The gains in growing RVCs depend on the decisions of companies to increase productive capacity and to invest across the region).³⁶ These decisions depend on, amongst other factors, whether input markets are competitive and whether there is fair access to end markets. As regional (and continental) integration deepens, firms will increasingly move towards supplying customers in various regions with increased potential for cross-border anticompetitive and restrictive business practices.³⁷ Therefore, effective competition enforcement needs to have a geographical reach as wide as the competition it is meant to address³⁸ and this requires taking a regional (and continental) view of firm activity.

Presently, regional competition enforcement is relatively weak. While there are a number of regional competition authorities (such as the COMESA Competition Commission, the East African Competition Authority and the ECOWAS Regional Competition Authority), these are still in their nascent stages of development in some areas. The COMESA Competition

³³ Ibid

³⁴ Mondliwa, P., Roberts, S., and Ponte, S. (2021). Competition and Power in Global Value Chains. *Competition & Change*, 25(3/4), 328-349. <https://doi.org/10.1177/1024529420975154>.

³⁵ Ibid

³⁶ Roberts, S. (2016). Competition and Development in southern and East Africa. In Roberts, S (Eds.) *Competition in Africa. Insights from Key Industries*. HSRC Press.

³⁷ Nsomba, G. (2021). The Coca-Cola Company/Coca-Cola Beverages Africa Merger: Lessons for Robust Regional Competition Enforcement. *The Antitrust Bulletin*, 66(4), pp. 544-555.

³⁸ Fox, E. (forthcoming 2021). Integrating Africa by competition and market policy, in Ross and Mncube (Eds.) *Review of industrial organization, special issue on Africa*.

Commission for example, is yet to prosecute a cartel or restrictive business practice case, with an extensive record of merger approvals without conditions.

The need for effective regional competition enforcement has important implications for the ongoing AfCFTA negotiations on competition policy. The AfCFTA competition policy objectives are straightforward – to promote competition and economic integration by preventing restrictive business practices and other restrictions that deter the efficient operation of markets, enhance consumer welfare in the member states, and protect consumers against offensive conduct by market actors.³⁹ Designing a suitable protocol on competition in Africa that supports sustainable development and the development of strong RVCs requires understanding the international reach of large firms in Africa and the barriers that smaller firms face.⁴⁰

There is an important coordination role here between national and regional authorities in order to inform more effective enforcement at a regional level, but also at the continent-wide level through the AfCFTA. However, effective regional enforcement cannot take place without strong national institutions with the necessary capacity to understand the markets they regulate, and to inform a continent-wide mapping of firm activity historically and in real time.

The African Market Observatory (AMO), launched by the University of Johannesburg in 2017, provides a valuable tool in this regard. The AMO is an initiative that monitors prices of key inputs and staple foods across selected countries within the region and assesses the extent of competition in these food markets. By tracking prices within and across countries at different levels of supply chains, the AMO can contribute to evaluating if prices are fair and if markets are working well for smaller producers and consumers more widely. The AMO can therefore be used as a tool to build a knowledge base for competition authorities that can also be used for cartel screening purposes, as well as an avenue with which authorities can coordinate their enforcement efforts through research.

Regional integration and RVCs are based on creating access to larger markets for local producers and manufacturers. One way to improve access to regional markets through supermarkets is through the implementation of retail codes of conduct or a 'retail charter' between suppliers and supermarkets. This is a useful way to control the exertion of buyer power by supermarkets. Combined with commitments to develop local suppliers through supplier development programmes, multinational supermarket chains can play an important role in developing the capabilities of suppliers. While South African supermarket chains have supplier development programmes in South Africa, these can be expanded and scaled-up to include suppliers in the countries that they operate.

Such interventions also need to be accompanied by addressing the more commonly highlighted constraints such as infrastructure backlogs, border post delays, other transport related barriers, and non-tariff barriers.

³⁹ Okadia, F., Wa-Kyendo, E., Njeru M., Jattani, D. and Kemboi, L. Designing an AfCFTA-Driven Continent-Wide Competition Policy Around the Regional Economic Communities. *The Antitrust Bulletin*, 66(4), pp. 556-575. doi:10.1177/0003603X211045749.

⁴⁰ Gachuri, E. (2020). African Continental Free Trade Area Phase II Negotiations: A space for competition protocol? UNCTAD Research Paper No. 56 UNCTAD/SER.RP/2020/15

Developing strong RVCs requires approaching national policies (industrial, competition and investment policies) with a more regional lens, which requires closer collaboration and coordination between countries. This is challenging but must be pursued if the objectives of the AfCFTA are to be realised.

