

AfCFTA will foster partnerships among e-commerce firms: Jumia CEO

LAGOS, Nigeria - The African Continental Free Trade Agreement (AfCFTA) will encourage partnerships among e-commerce firms within the continent, and impact Nigeria's growing economy significantly, believes the CEO of Jumia Nigeria, Juliet Anammah. She was speaking amid fears and concerns over the federal government's delay in signing the trade pact, which already had been signed by 44 out of the 55 African countries.



Juliet Anammah

The scope of the pact covered agreements on trade in goods, services, investment, and rules and procedures on dispute settlement, including a range of provisions to facilitate trade, reduce transaction costs, provide exceptions, flexibilities and safeguards for vulnerable groups and countries in challenging circumstances.

Annamah made the remark while fielding questions from journalists in Lagos on the implications of the trade agreement and the possible impact on e-commerce's operations in Nigeria and Africa, wherein Jumia has established a large presence.

Reviewing trade barriers

She said a diligent review of the structural trade barriers, establishment of the right trade agreement, cross border and taxational cross border tariffs, will foster partnerships amongst e-commerce companies within and outside the continent.



A new dawn for Africa as 44 countries sign CFTA deal

Collins Mwai 22 Mar 2018



"Signing the continental free trade agreement is good for the economy and the whole of Africa. But in terms of the actual removal of the barriers, reshaping of the tariffs in such a way that it becomes attractive to export products from one country to the other, only government can do that. Looking at the structural barriers to trade, by the time government establishes the right trade agreement, and the right tariffs – cross border tariffs and taxational cross borders, partnerships with foreign e-commerce companies will naturally evolve."

She added: "As a consumer, I could go to a Moroccan website and see an item I want to buy from Nigeria. But by the time I check the cost of transshipment from Nigeria to Morocco, it really won't make sense for me because of cross border taxation and the tariffs that are applicable. Once those are sorted out, potential partnerships within the continent will be organic and the economy will feel the impact."

Anammah also debunked a claim that Jumia might be expanding its coast to China to rival the incumbent leader, Alibaba. She said, "We definitely do not have any plans to expand our operations to China. However, we handle shipping for chinese vendors who list their products on our platform, helping them to identify potential shippers they can use to aggregate in such a way that the shipping cost in Nigeria will be lower for the final customer."

For more, visit: <https://www.bizcommunity.com>