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THE

NEXUS REVIEW

Africa's Value-Creation Decade

How trade, governance and commercial diplomacy can turn opportunity into shared prosperity

FEATURED ESSAY *"From Diplomacy to Delivery"*

FROM THE FOUNDER

Why Nexus, Why Now

Trade policy and governance are usually discussed in separate rooms. One is occupied by ministries of trade, customs authorities and investment-promotion agencies. The other belongs to public administration reformers and public financial management specialists. The Nexus Institute of Trade and Governance exists because Africa's economic future depends on what happens when those two rooms become one conversation.

Trade agreements do not execute themselves, and market access does not automatically become market share. Between a signed protocol and a functioning export pipeline sit institutions: customs administrations that clear goods predictably, standards bodies that certify products credibly, missions that represent commercial interests competently, and agencies that coordinate with one another instead of working at cross purposes. Where those institutions function, opportunity converts into investment, employment and durable public revenue. Where they do not, even generous trade terms can go unconverted.

The Nexus Review is the Institute's platform for examining that conversion process in detail, issue by issue and sector by sector. Our aim is straightforward: bring evidence and practical analysis to readers who are building, financing or governing Africa's trade relationships, and treat both progress and shortfall honestly, without flattening a continent of enormous institutional and sectoral diversity into a single storyline.

We have chosen value creation as this inaugural theme because it sits beneath almost every other debate in African trade policy. It is rarely a shortage of resources, market access or diplomatic goodwill that limits outcomes. It is the institutional and productive capability required to convert those assets into sustained, broadly shared value at home. Our featured essay examines one part of that capability closely: commercial diplomacy, and the discipline of turning relationships into deals rather than only agreements.

"Between a signed protocol and a functioning export pipeline sit institutions."

Caroline Atuhaire
Founder, Nexus Institute of Trade and Governance

INSIDE THIS ISSUE

This first issue also introduces two tools we intend to keep building on in future editions; the Nexus Value-Conversion Framework and a practical action agenda organized around the institutions best placed to close specific capability gaps. Both are offered in the same spirit as this letter: as working tools for practitioners, not finished theory.

We invite policymakers, commercial attachés, exporters, diaspora professionals and researchers into this conversation.

FEATURED ESSAY · TRADE & DIPLOMACY

From Diplomacy to Deals

Why commercial diplomacy can shape Africa's next economic decade

What Commercial Diplomacy Is

Diplomacy has traditionally been organized around states, treaties and political relationships: alliances, peace agreements and the steady management of bilateral ties. Commercial diplomacy is narrower and more instrumental. It is the deliberate use of diplomatic relationships, missions and representation to advance concrete economic outcomes; export contracts, inbound investment, technology partnerships, market access for specific products, and the removal of specific regulatory or logistical obstacles facing a country's firms abroad.

The distinction matters because the two activities are judged differently and require different institutional muscles. Political diplomacy succeeds when relationships hold and conflict is avoided; its currency is trust, protocol and continuity. Commercial diplomacy succeeds when a shipment clears a foreign port on schedule, a certification is recognized by a regulator abroad, an investor's due-diligence questions are answered accurately and quickly, and a trade mission produces signed contracts rather than photographs. A mission can perform the first function with real distinction while performing the second poorly, and this gap between diplomatic warmth and commercial delivery is one of the more persistent, under-discussed constraints on African export and investment performance.

Why the Present Decade Demands It

Several structural shifts make commercial diplomacy more consequential now than in the recent past. Global supply chains are being reconfigured as firms and governments diversify sourcing away from single-country concentration, creating openings for African suppliers that did not exist a decade ago — but only for exporters and missions capable of finding and closing those openings quickly. The African Continental Free Trade Area, linking a market of roughly 1.3 billion people and a combined GDP of about US$3.4 trillion, is gradually moving from ratification to implementation, converting a legal architecture into an operating one that trade ministries and missions must learn to use on behalf of their exporters.[1]

Digital trade is lowering the fixed costs of reaching foreign buyers for smaller firms, while raising the technical bar on data governance, payments infrastructure and digital standards that commercial diplomats must now understand. Demand for critical minerals used in energy-transition technologies has intensified competition among resource-rich countries and the industrial economies that need their inputs, placing a premium on negotiators who can secure terms that include local processing and technology transfer rather than raw extraction alone. And a broader return to industrial policy among major economies means more governments are actively courting investment and supply-chain positioning, raising the value of a mission that can represent its country's specific commercial case persuasively rather than generically.

> ***Diplomatic access is not the same as commercial capability. The relationship can be excellent while the conversion mechanism remains missing.***

Evidence Across Regions

The pattern of diplomatic access outpacing commercial conversion appears across sectors and regions, though its specific form differs by country. In East Africa, exporters have used regional trade preferences to diversify beyond raw commodities: Rwandan firms have moved from raw coffee toward packaged coffee, tea and value-added agri-products shipped to Ghana under AfCFTA terms. 2 In Southern Africa, South Africa's extensive network of roughly ninety trade agreements has not been matched by a proportional diversification of manufactured exports. 3 And in West Africa's cocoa economy, decades of preferential access to major chocolate-consuming markets coexist with cocoa grinding capacity that runs well under half of installed capacity in some producing countries. 4 None of these examples should be read as representative of an entire continent; each reflects a specific combination of institutions and history.

Where the Conversion Breaks Down

Many African countries have accumulated substantial diplomatic capital: agreements, partnerships and standing bilateral commissions. Converting that capital into exports and jobs has proven considerably harder, for structural reasons.

Market intelligence is often the first gap. Missions and trade ministries frequently lack current, granular information on buyer requirements, so opportunities are pursued too late or with generic offers. Commercial capacity within missions is a second constraint: many embassies have few staff with trade or negotiation expertise. A third gap is interagency coordination, so a lead identified by one institution does not reliably reach the one positioned to close it.

> ***Commercial diplomacy is a public capability with a public return: better-functioning institutions raise the odds that opportunity reaches firms, workers and treasuries.***

Exporter readiness compounds the problem on the supply side. And perhaps most persistent is the absence of followup: trade missions generate leads that few countries track systematically, so promising contacts quietly go cold.

What Must Change

Building this capability is fundamentally a matter of institutional design, not primarily new resources. Priority missions need explicit commercial mandates and sector expertise, with performance measured against trade and investment outcomes rather than relationship management alone. Trade ministries need to treat market intelligence as an ongoing operational function, actively shared with missions and exporters. Governments also need a standing, cross-agency mechanism for tracking mission and summit leads through to resolution, with a named institutional owner for each one. Exporter readiness support, particularly certification and financing linkages, should accompany market-access negotiation from the outset rather than follow it as an afterthought. And missions should carry a small number of measurable commercial targets in their priority markets, reviewed annually alongside their traditional diplomatic functions. None of this requires abandoning diplomacy's broader purposes. It requires recognizing that, in a decade defined by supply-chain realignment, AfCFTA implementation and renewed industrial competition, the capability to convert relationships into deals has become a distinct and increasingly consequential form of statecraft, one that African governments and their private-sector partners have strong reason to build deliberately.

Africa's Value-Creation Gap in Numbers

1.3bn / $3.4tn

People and combined GDP in the AfCFTA market

The African Continental Free Trade Area links 54 signatory states into the world's largest free trade area by membership since the WTO's founding. Market size of this scale is real but, as the figures below show, it has not yet translated into a proportional rise in African value capture.

SOURCE: AFRICAN UNION / AFCFTA SECRETARIAT, 2023–2025

14.4%
Intra-African trade as a share of Africa's total trade, 2024
AFREXIMBANK, 2025

3.3%
Africa's share of global merchandise exports.
AFREXIMBANK, 2025

+10% / +6%
Growth in Africa's imports / exports, 2025
UNCTAD, DEC. 2025

$130–170bn
Africa's estimated annual infrastructure investment need
AFDB / AUDA-NEPAD

WHAT THESE NUMBERS MEAN

Market size alone does not guarantee value creation. A $3.4 trillion combined market is real, but intra-African trade still accounts for barely a seventh of the continent's total trade, well below the shares seen in Europe or Asia.

Growth and value addition are not the same story. Trade volumes grew through 2025, yet Africa's share of global exports has slipped over the past decade and a half, with the trade mix still weighted toward less processed goods.

Infrastructure sets the practical ceiling. An annual investment gap in the tens of billions of dollars constrains the capacity that underpins trade competitiveness. No agreement alone can substitute for that capacity.

THE NEXUS LENS · AN ORIGINAL FRAMEWORK

The Nexus Value-Conversion Framework

Six connected capabilities that determine whether opportunity becomes sustained economic value.

The framework organizes six capabilities as a connected system rather than a checklist: weakness in any one limits how much value the others can produce.

01 PRODUCTIVE CAPABILITY

The domestic capacity:- skills, technology, energy and inputs to produce goods and services at the quality and volume export markets actually require.
Without it, market access and diplomatic goodwill have nothing to carry.

02 MARKET INTELLIGENCE

Timely, specific information on buyer requirements, competitor pricing and regulatory change in the markets a country is targeting.
Opportunities identified late or generically are opportunities lost to better-informed competitors.

03 STANDARDS & EXPORTER READINESS

Certification, quality assurance and packaging capability that enable a firm meet a foreign buyer's technical and regulatory requirements.
A product that cannot clear certification cannot reach the shelf, however favorable the tariff.

04 COMMERCIAL REPRESENTATION

The capacity of missions, ministries and negotiators to represent commercial interests actively and close specific deals.
Diplomatic access is necessary but not sufficient; someone still has to work the deal to completion.

05 FINANCE, LOGISTICS & MARKET ACCESS

Affordable trade finance, reliable transport and distribution networks, and functioning preferential access arrangements.
Even a certified, competitively priced product fails if it cannot be financed, moved or delivered on time.

06 INSTITUTIONAL COORDINATION

Working mechanisms that connect trade ministries, investment agencies, standards bodies and missions, with clear ownership of follow-through.
Fragmented institutions lose leads between agencies even when each performs its own function well.

1
Map a specific export or investment opportunity against all six capabilities to see where it is strong.

2
Identify which capability is the binding constraint not the one that is easiest to discuss.

3
Assign a named institutional owner to close that specific gap, and track it to resolution.

The Nexus Value-Conversion Framework is a practical analytical tool developed for public education and policy discussion. It is intended to organize analysis rather than serve as a predictive index.

ACTION AGENDA

From Opportunity to Delivery

Five cross-cutting institutional moves, drawn from the capability gaps examined throughout this issue.

Each move responds to a gap identified earlier in this issue. None depends primarily on new funding each depends on an institution owning a specific piece of the problem.

01 GIVE PRIORITY MISSIONS COMMERCIAL MANDATES
Assign explicit commercial mandates to embassies in priority markets, with performance measured against trade .outcomes

02 BUILD SHARED MARKET-INTELLIGENCE SYSTEMS
Establish a shared market-intelligence function that ministries, agencies and missions all draw on and contribute to.

03 INVEST IN STANDARDS & EXPORTER READINESS
Pair market-access negotiation with certification and qualityassurance support from the outset.

04 CONNECT FIRMS TO FINANCE & LOGISTICS
Strengthen SME trade-finance and distribution linkages before an opportunity materializes.

05 TRACK LEADS & ASSIGN ACCOUNTABILITY
Create a standing mechanism for tracking mission leads to resolution, with a named owner for each one.

Five Questions Every Trade Mission Should Answer

Before any delegation departs, these five questions should already have specific, named answers not general aspirations.

1. Who, specifically, are the target buyers, and what do they require?

2. Which participating exporters are certified and ready to fulfill an order today?

3. What standards or certifications remain outstanding, and who owns closing that gap?

4. Who owns follow-up on each lead once the delegation returns home?

5. Which measurable outcomes will define this mission's success: contracts, investment or certified partnerships?

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NEXUS INSTITUTE OF TRADE AND GOVERNANCE

About the Nexus Institute of Trade and Governance

The Nexus Institute of Trade and Governance is an independent public-interest institute advancing practical knowledge and informed dialogue on trade, investment, governance and sustainable development. Through research and policy insight, dialogue and convening, learning and capacity building, and public-interest engagement, Nexus connects evidence, institutions and people to support inclusive development across Africa and its global partnerships.

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