



# **Regional Economic Communities in Africa A Progress Overview**

**Study Commissioned by GTZ**

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## **List of acronyms**

|        |   |
|--------|---|
| AEC-   | African Economic Community                    |
| AMU    | Arab Maghreb Union                            |
| AU     | African Union                                 |
| COMESA | Common Market for Eastern and Southern Africa |
| EAC    | East African Community                        |
| ECA    | Economic Commission for Africa                |
| ECCAS  | Economic Community of Central African States  |
| ECOWAS | Economic Community of West African States     |
| EPA    | Economic Partnership Agreement                |
| IGAD   | Inter-Governmental Authority on Development   |
| NEPAD  | New Partnership for Africa's Development      |
| OAU    | Organization of African Unity                 |
| RECs   | Regional Economic Communities                 |
| SACU   | Southern African Customs Union                |
| SADC   | Southern Africa Development Community         |
| UEMOA  | West African Economic and Monetary Union      |

## **Executive summary**

In the context of globalization, regional integration is an imperative for Africa, in terms of enhanced competitiveness in global trading, prevention of conflicts and consolidation of economic and political reforms. The 1980 Lagos Plan of Action envisaged the African Economic Community (AEC) which categorized the African continent into five regional areas: North Africa, West Africa, South Africa, East Africa and Central Africa.

Yet the configuration of Regional Economic Communities (RECs) does not tally with the AEC regions. Indeed many studies have outlined the problem of multiple and overlapping memberships in RECs, which has had the net effect of undermining integration. Political and strategic reasons are cited as the overriding motivation for this multiplicity of memberships in RECs. On its part, the African Union commission officially recognizes only eight RECs as building blocs for continental integration. Further, to advance on rationalization and better coordination of integration efforts, a Protocol on the Relations between the AEC and the RECs is in place; an African Union (AU) team is conducting an exercise to suggest on the best-case scenarios for the rationalization process; and in addition, the Conference of Integration Ministers was instituted in 2006. Individual initiatives of various RECs to enhance consultation is also helping to narrow discrepancies among the RECs and consequently accelerating progress towards the goal of the African Union. Nevertheless, there is a need to strengthen the AU's critical role in providing leadership for integration.

The need to ensure that Africa's integration agenda is compatible with obligations to external trading partners can not be overemphasized. The case of the European Union Economic Partnership Agreements (EPAs), where the configurations for EPA negotiations are not conterminous with existing RECs is particularly illustrative. The need for policy coherence on the side of development partners is of paramount importance.

In terms of progress made in advancing the goals of regional integration, the results are mixed with a general sense that there remain substantial gaps in achievements. Although some RECs have made strides towards free trade and a customs union, progress towards harmonized and integrated sub regional markets is slow. For example, only a few countries dominate export trading and privileged access is still reserved to markets in Europe, North America or Asia. Other impediments to intra-regional trade include: persistent conflicts; slow progress on removal of non tariff barriers; freeing the movement of people across regional borders; failure to mainstream gender in integration efforts, and an underdeveloped infrastructure which leads to high cost of doing business.

Some encouraging advances have been made in the area of information and communication technology (ICT), due to global advances in this sector as well as the increased role of the

private sector in enhancing service provision. However, in comparison to other parts of the world, Africa is still a long way from realizing universal access to ICT.

The review therefore makes the following six recommendations:

- Design mechanisms to mainstream and measure informal trade within regional integration;
- Enhance policy convergence within RECs;
- Enhance the coordination between RECs and member countries;
- Design creative and innovative ways to secure political will and stakeholders' support for regional integration;
- Establish mechanisms to ensure that the process of continental integration led by the African Union are complementary and supportive to regional integration efforts and vice versa;
- Redress the underlying structural constraints including deep seated distrust among member states, which fundamentally limit the depth and progress in regional integration.

## **1.0 Introduction**

### **1.1 Study objectives**

As part of its program 'Support to the EAC Integration Process', GTZ has commissioned a study to review the progress of regional economic communities in Africa. The specific objectives are:

- To undertake a brief literature review of RECs in Africa;
- To map an inventory of RECs in Africa;
- On the basis of the above inventory, to undertake a comparative analysis outlining the areas of focus of the identified RECs, their progress and achievements, obstacles they face and planned next steps.

### **1.2 Study methodology and limitations**

The study was executed through secondary research that relied predominantly on Internet based sources and references. Other complementary secondary sources were a select set of relevant publications. This choice of methodology limited the ability to access exhaustive and up to date information on the status of progress of many of the RECs, since most of the Internet based sources were neither exhaustive nor up to date.

## **2.0 Background of integration in Africa**

Africa's regional integration has been a stated priority agenda for both African governments and the donor community since the early years of independence. Regional integration imperatives have to do with the dynamics of the globalizing economy, as a means to enhance and assure competitiveness through better leverage in international trading. For Africa, this imperative is stronger given the colonial legacy, misrule and conflicts. Regionalism has been regarded as a possible panacea for the continent's political and economic governance problems. According to the first United Nations Economic Commission for Africa (ECA) study on regional integration<sup>1</sup>, perceived benefits of integration include: sustainability; increased foreign and domestic investment; increased global competitiveness; promotion of regional public goods; prevention of conflict; consolidation of economic and political reform and economies of scale. The study contends:

"Revitalized regional integration offers the most credible strategy for tackling Africa's development challenges because of the many weaknesses that overwhelm the limited capacities and resources of individual countries. Collective efforts with dynamic political commitment to integration can help to overcome the daunting challenges."<sup>2</sup>

The then Organization of African Unity (OAU), with the help of the ECA, drafted the 1980 Lagos Plan of Action, aimed at establishing an African Economic Community (AEC). The subsequent Abuja Treaty, signed in 1991 (and operationalized in 1994), in its Resolution CM/Res.464 (XXVI) of the OAU Council of Ministers, divided the continent into five regional areas: North Africa, West Africa, South Africa, East Africa and Central Africa, in preparation for establishing the AEC in six phases over 34 years (1994-2027). The ultimate result would be an economic union with a common currency, full mobility of factors of production and free trade among all 53 African countries. The AEC provides for 19 protocols as the legal instruments to guide member countries' compliance.

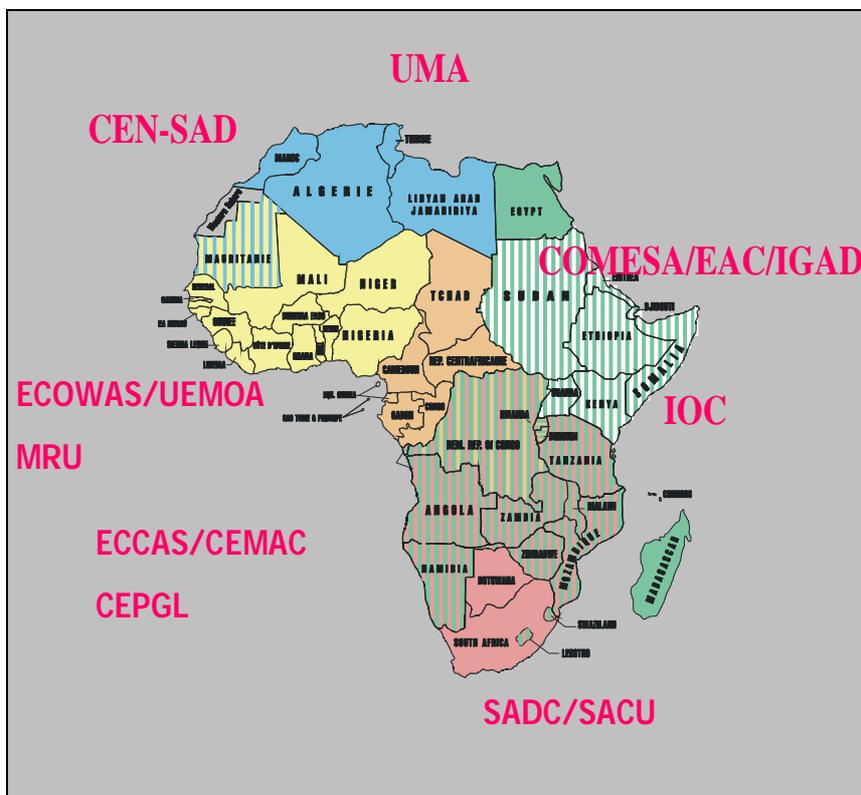
Paradoxically, the configuration of none of the Regional Economic Communities (RECs) tallies with the "regions" as defined above. Consequently, in West Africa, the West African Economic and Monetary Union (UEMOA) and the Mano River Union (MRU) co-exist with the Economic Community of West African States (ECOWAS). Central Africa has three groupings: the Economic Community of Central African States (ECCAS); CEMAC and the

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<sup>1</sup> United Nations Economic Commission for Africa (2004): 'Assessing Regional Integration in Africa' (ARIA I)

<sup>2</sup> Ibid: 24

Economic Community of Great Lakes countries (CEPGL). The Eastern and Southern African sub-regions share six groupings between them: the Common Market for Eastern and Southern Africa (COMESA); the East African Community (EAC); the Inter-Governmental Authority on Development (IGAD); the Indian Ocean Commission (IOC); the Southern Africa Development Community (SADC) and the Southern African Customs Union (SACU). North Africa used to host only the Arab Maghreb Union (UMA) until the Community of Sahel-Saharan States (CEN-SAD) emerged. The membership of CEN-SAD straddles countries from other RECs and sub-regions. Of the 53 countries, 26 retain dual membership; 20 are members of three RECs; the DRC belongs to four RECs; and only 6 countries maintain singular membership.



Source: UNECA annual report ARIA II



Source: UNECA annual report ARIA II

## 2.1 Challenges to integration in Africa

### 2.1.1 Multiple and overlapping memberships

With at least 14 currently existing RECs and most countries belonging to at least two of them, regional integration in Africa is a very complex and confusing affair, what Alves, Draper and Halleson characterize as “a spaghetti bowl that hinders regional integration by creating a complex entanglement of political commitments and institutional requirements”.<sup>3</sup>

As documented in many studies, multiple and overlapping memberships in RECs have created a complicated web of competing commitments which, combined with different rules, result in high costs of trade between African countries, in effect undermining integration. Multiple and overlapping memberships occasion resource and effort wastage due to duplication/multiplication of effort. It complicates harmonization and coordination among member states and according to the ECA: “tends to muddy the goals of integration leading to counterproductive competition among countries and institutions”<sup>4</sup>. Political and strategic reasons are cited as the overriding motivation for this multiplicity of memberships in RECs.

<sup>3</sup> See Alves, P., Draper, P., Halleson, D (January 2007) in Trade Policy Report No. 15: “SACU, Regional Integration and the Overlap Issue in Southern Africa: From Spaghetti to Cannelloni?” South African Institute of International Affairs, Johannesburg, South Africa

<sup>4</sup> Economic Commission for Africa (2004): “Assessing Regional Integration in Africa” Addis Ababa, Ethiopia

The African Union commission officially recognizes 8 RECs in line with decision No. 1 of the Banjul Summit in July 2006, downgrading all others to inter governmental agencies. The eight recognized RECs are considered building blocs. Based on an agreed need for rationalization and better coordination of RECs, a Protocol on the Relations between the AEC and the RECs is in place. A 2008 study by the African Capacity Building Foundation it is to be hoped: “that the new protocol under development will lead to the emergence of a better working relationship anchored on the principles of subsidiarity and partnership. This partnership should make the RECs the building blocks of the AEC, indeed with the AU playing its role as Africa’s premier continental integration organization.”<sup>5</sup> To be effective, amendments to the treaties and mandates of RECs to reflect such a supervisory and coordinating role of the AU is required.

| <b>The eight RECs recognized by the AU</b>             | <b>The remaining six integration blocs</b>                 |
|--|--|
| Arab Maghreb Union (UMA)                               | 1. Economic Community of Great Lakes countries (CEPGL)     |
| East African Community (EAC)                           | 2. Southern African Customs Union (SACU) <sup>6</sup>      |
| Economic Community of West African States (ECOWAS)     | 3. Mano River Union (MRU)                                  |
| Southern Africa Development Community (SADC)           | 4. West African Economic and Monetary Union (UEMOA)        |
| Community of Sahel-Saharan States (CEN SAD)            | 5. Central African Economic and Monetary Community (CEMAC) |
| Inter-Governmental Authority on Development (IGAD)     | 6. Indian Ocean Commission (IOC)                           |
| Common Market for Eastern and Southern Africa (COMESA) |  |
| Economic Community of Central African States (ECCAS)   |  |

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<sup>5</sup> African Capacity Building Foundation (2008) “A survey of the capacity needs of Africa’s Regional Economic Communities”, Harare, Zimbabwe

<sup>6</sup> Comprising Botswana, Lesotho, Namibia, Swaziland (BLNS) and South Africa, SACU is the oldest functional customs union in the world. It was created in 1910 following the signing of the Customs Union Agreement between the Union of South Africa and the three British administered territories of Botswana, Lesotho and Swaziland. The 1910 agreement was replaced by the 1969 agreement and later by the 2002 SACU agreement.

The well-acknowledged issue of multiple and overlapping memberships makes regional integration costly, inefficient and ineffective. It complicates Africa's trade and economic relations with the rest of the world, as for example evidenced in the Economic Partnership Agreement negotiations with the European Union.

Many analysts believe that overlapping memberships in RECs cause complications and inconsistencies due to conflicting obligations and divided loyalty. In fact, the lack of progress or success of African integration schemes has been attributed in part to conflicting interests brought about by overlapping memberships in several RECs. Such overlaps mean *inter alia*:

- RECs adopt different sectoral harmonization models and policies, thus creating dilemmas for countries leading to delays in implementation of region-wide program objectives;
- Competition for resources poses a dilemma for development partners;
- Complexities arise in the legal and financial structuring of cross border regional projects where participating countries belong to different RECs with different legal systems.

It has been suggested that countries would deliberately seek membership to several groupings with the hope of maximizing the benefits of integration and minimizing losses by spreading risks. In the case of economically weaker countries, this reason may be a strong incentive for aligning to several integration blocs.

There has been considerable dialogue to address the issue of multiple memberships resulting in clearer definitions of mandates, objectives and responsibilities. However, the use of coordination mechanisms including the AEC/RECs protocol; memorandum of understanding; regular exchange of information and joint programming is limited. Moreover, such mechanisms are not legally binding and lack benchmarks to ensure coordination objectives are met.

### **2.1.2 Other constraints to integration**

- The systemic problems that hamper the development of national economies also impede Africa's integration;
- Reluctance to adhere to integration programs due to concerns over losses and uneven gains;
- Insufficient analytical and technical support limits implementation of some integration instruments e.g. on trade liberalization;
- Divergent and unstable national macroeconomic policies;

- Lack of clarity of visions, ignoring principle of subsidiarity;
- Lack of national mechanisms to coordinate, implement and monitor integration programs;
- Inability to make integration part of national development frameworks;
- Insufficient political will and requisite investment and resources for integration;
- Poorly streamlined mandates and legal frameworks from which RECs derive authority;
- It also appears that the legitimacy and authority of some RECs are tied to particular individuals and personalities which often results in a crisis of confidence and legitimacy;
- There are problems related to old colonial loyalties and inclinations and sometimes subtle rivalries at the secretariats of the various RECs. A typical example is the rivalry between Anglophone and Francophone countries at various commissions and committees<sup>7</sup>.

The ECA premier study on integration outlines the following challenges:

- Need to rationalize the RECs since multiple memberships spread limited resources thin and complicate the integration process given diverse agendas;
- Need to expedite ratification and rationalize protocols to enhance convergence of sub regional goals. Given contradictory REC protocols, there is slow signing and ratification which lessen the integration momentum. RECs by and large lack supranational authority to ensure implementation of collective decisions and enforcement of policy convergence. It is notable that some RECs (UEMOA and CEMAC) have adopted a more expeditious approach, adopting 'acts' or 'decisions' that take effect immediately;
- Need for prioritization to match goals with available resources, focus on achievable objectives and deepen fundraising;
- Strengthen private sector involvement in integration efforts;
- Integration needs to be part of Africa's overall development strategy;
- Integration must ensure equitable outcomes and guard against deepening inequities;
- Integration requires sustained member countries' commitments, reflected in matching domestic policies;
- Ensuring AU plays a critical role in providing leadership for integration.

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<sup>7</sup> Nevertheless, it is worth observing that there is a healthy side to these rivalries as seen in a competitive response to NEPAD by various institutions seeking to contribute to its success.

H. Rukato suggests that regional integration has to factor in the continent's diversity manifest in different histories, cultures, languages and levels of development<sup>8</sup>.

Nkululeko Khumalo, Senior Researcher in trade policy at the South African Institute of International Affairs suggests that as a continental body, the AU is better placed to promote the bigger picture of economic integration of the whole continent. In order to do this, the AU will have to address the obstacles to progress in integration, which include lack of national mechanisms to coordinate, implement, and monitor integration policies and programs; inability to make integration objectives, plans, and programs part of national development frameworks; failure to provide equitable distribution of integration's costs and benefits; insufficient technical and financial support to regional integration programs; and lack of compatibility among RECs which are supposed to promote the goals of a continent-wide community<sup>9</sup>.

### **2.1.3 Competing interests: The role of external partners as a challenge to integration**

Analysts have stressed the need for the AU and individual RECs to ensure that Africa's integration agenda is compatible with the obligations these countries have to external trading partners. The 2007 SACU study echoes this point on the role of external partners in integration efforts:

"Of great relevance within the rationalization of RECs in Africa is the important role played by external partners, in particular the ongoing economic partnership agreement (EPA) negotiations with the EU. This is because the countries in southern and eastern Africa, with few exceptions, trade predominantly with the European Union. Confusingly EPA negotiations configurations are not conterminous with existing RECs. This places further stress on an already delicate situation in which institutional capacities are already overstretched, and consequently threatens to divide the region even further. It also makes it difficult for constituent countries to agree on common negotiating positions."<sup>10</sup> The study observes that this

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<sup>8</sup> Rukato, Hesphina (Deputy CEO, NEPAD Secretariat) 5TH ANNUAL AFRICAN TRADE MOOT, 29 September 2008 to 3 October 2008, University of Pretoria, South Africa. Retrieved February 7th, 2009, from: Evan Carmichael. Available at: <http://www.evancarmichael.com/African-Accounts/1665/Regional-Economic-Communities-in-Africa.html>

<sup>9</sup> See Nkululeko Khumalo, Senior Researcher in trade policy at the South African Institute of International Affairs article. "Economic Integration Requires New Strategies" Retrieved February 17th, 2009, available at: <http://allafrica.com/stories/200805150591.html>

<sup>10</sup> See Peter Draper, Durrel Halleson, Philip Alves, January 2007 "SACU, regional integration and the overlap issue in Southern Africa: From spaghetti to cannelloni?" South African Institute of International Affairs (SAIIA), p. 19

situation would be aggravated by the fact that European Development Funds (specifically EDF 10) would apparently not be allocated to RECs in the 2008-2013 five-year tranche, but rather to groupings negotiating EPAs. The discrepancy between EPA configurations and AU recognized RECs was alluded to during the June 2005 Cairo and the April 2006 Nairobi Conferences of AU Ministers of Trade, with the Nairobi Declaration on EPAs specifically expressing these concerns:

“We urge our development partners to fully respect our ... [process of economic integration in Africa] ... and to refrain from pursuing negotiating objectives that would adversely affect these existing programs and process of economic integration in Africa”, and “In particular, we urge the regional economic communities as building blocs for the African Economic Community to ensure that economic partnership agreements with the European Community do not constitute any obstacles to the coordination and harmonization of their programs and activities, including for the progressive formation among themselves of free trade areas and customs unions on a priority basis and ahead of any similar agreements with the EC.”<sup>11</sup>

Wallie Roux, an independent trade policy analyst, states in a May 2008 article: “although the EU committed itself to a policy of coherence through its February 2006 adopted “EU Consensus on Development”, there is no coherence between the Joint EU-Africa Strategy’s Partnership on Trade and Regional Integration and the EU’s EPA Agenda. The latter is undermining the AU’s regional integration efforts and it contradicts the EU’s Maastricht Treaty of 1992, the Amsterdam Treaty of 1997, the provisions of the 2000 Cotonou Agreement, the EU’s 2000 United Nations’ Millennium Declaration, the EU’s adopted series of measures to accelerate the progress towards the MDGs, and the 2006 adopted “EU Consensus on Development”<sup>12</sup>.

Nkululeko Khumalo, Senior Researcher in trade policy at the South African Institute of International Affairs writing in May 2008 weighs in on the issue:

“Though EPAs are meant to promote regional integration, among other aims, their immediate impact has been the further fragmentation of existing regional economic bodies across Africa - except for the East African Community”.<sup>13</sup>

The European Development Fund (EDF) is the main instrument for providing Community aid for development cooperation in the African, Caribbean and Pacific (ACP) states and

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<sup>11</sup> Nairobi Declaration on Economic Partnership Agreements

<sup>12</sup> Wallie Roux “EC’s non coherent policy on Africa” Retrieved February 7th, 2009, available at: [http://74.125.95.104/search?q=cache:4pnhKxnuhnMJ:www.bilaterals.org/article.php3%3Fid\\_article%3D12118+RECs+in+Africa&hl=en&ct=clnk&cd=14&gl=ke](http://74.125.95.104/search?q=cache:4pnhKxnuhnMJ:www.bilaterals.org/article.php3%3Fid_article%3D12118+RECs+in+Africa&hl=en&ct=clnk&cd=14&gl=ke)

<sup>13</sup> See Khumalo (2009)

Overseas countries and Territories (OCT). The tenth EDF covering the period 2008-2013 enshrines the revised Cotonou Agreement. According to a recent briefing paper prepared by the European NGO Confederation for Relief and Development (CONCORD) on the EDF 10, the European Commission has decided to concentrate regional programs on regional economic integration, trade and EPAs with the consequence that the configuration of the regional entities will be adapted in line with the EPAs and, in certain cases, will no longer correspond with the regional entities as defined under the previous EDFs. The paper notes: “moreover, according to EC guidelines, there seems to be very little place to include focal sectors other than EPA-related activities in the regional programs. All of this undermines the continuation of cooperation activities that have been undertaken under previous EDFs and diverts resources away from other development objectives. This contradicts the demand from the ACP side for EPA adjustment to be financed separately from and in addition to the 10th EDF”.<sup>14</sup>

Besides the lengthy process of making commitments and disbursing EDF resources and the rather secretive nature of the EDF resources negotiation and allocation process, other concerns on this mechanism are: limited EC aid to ACP countries between 2008 and 2013 due to the reduced contributions of some of the richest EU Member States to the 10th EDF. This analysis projects that ratification of the 10<sup>th</sup> EDF will take a long time with its deployment only likely to start between 2010 – 2012.

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<sup>14</sup> CONCORD Cotonou Working Group (Aid) Briefing Paper (October 2008) “Challenges of the 10th EDF Programming process”.

### **3.0 Efforts for coordination and harmonization**

#### **3.1 AU efforts**

Two AU convened conferences of ministers in charge of regional integration; held since 2006, acknowledged the significance of RECs as central pillars for achieving continental integration and emphasized the need to rationalize and harmonize their policies, activities, and programs with a view to accelerating the broader integration process. The Conference of Integration Ministers was instituted in 2006 in Bangui, by the governing bodies of the African Union to improve the participation of AU member states in the regional integration process.

To date, four meetings have been held: the first on 30 and 31 March 2006 in Ouagadougou, Burkina Faso; the second on 26 and 27 July 2007 in Kigali, Rwanda and the third held from 19 to 23 May 2008 in Abidjan, Cote d'Ivoire. The fourth meeting was held between 4<sup>th</sup> and 8<sup>th</sup> May 2009 in Yaoundé, Cameroon, under the theme of 'Partnerships and Integration in Africa'.

A moratorium on the recognition of new RECs is already in place with the AU's recognition of eight RECs as the building blocks of the African Economic Community. However, the AU can succeed only if it gets maximum support from individual countries and RECs. Similarly, the institutionalization of the conference of integration ministers is a welcome development, especially if their resolutions will be taken seriously and get implemented.

#### **3.2 REC initiatives**

It is noteworthy that the RECs themselves engage in regular consultation. For instance in West Africa, there is a growing rapport between ECOWAS and UEMOA, which has borne fruit in the adoption of a common program of action on a number of issues including trade liberalization and macro-economic policy convergence. In Central Africa, ECCAS and CEMAC are increasingly working towards harmonizing their programs. In the Eastern and Southern Africa sub-region, IGAD and IOC are already applying most of the integration instruments adopted within COMESA. The EAC and COMESA have a memorandum of understanding to foster the harmonization of their policies and programs, while COMESA and SADC have set up task forces to deal with common issues and invite each other to their policy and technical meetings.

Following several meetings of the joint COMESA-EAC-SADC task force on harmonization of programs, the first COMESA/EAC/SADC tripartite summit of the Heads of States and Government under the theme "deepening COMESA-EAC-SADC integration" and a vision

“towards a single market”, was convened at the end of October 2008 to politically endorse the harmonization agenda.

These initiatives increase the prospect of narrowing discrepancies among the RECs, overcoming vexing problems associated with overlapping membership and consequently accelerating progress towards the goal of the African Union. The RECs' self-motivated efforts will need to be supported by a strong political decision towards rationalization of the multiple groupings in Africa. In light of various consultations and major reports including the ECA ARIA II, an African Union team is conducting an exercise to suggest on the best-case scenarios for the rationalization process. The exercise aims to present fact-driven proposals to quantify a rational number of RECs in the context of the African Union. Four main approaches to rationalization are under consideration:

- Maintaining the status quo: this approach confirms the existing order with eight recognized RECs and other intergovernmental bodies;
- The Abuja Treaty's approach<sup>15</sup>, which advocates rationalization around the five defined sub regions;
- Rationalizing around core communities, with one REC per region and each country belonging to only one REC; and
- Rationalizing through harmonization of policies and cooperation instruments in such a way that current mandates and objectives, programs and sectoral projects of intergovernmental bodies are standardized and harmonized.

Undoubtedly, this rationalization exercise is a challenging task, and none of the above-mentioned approaches is self sufficient, with recognizable strengths and limitations for each option. In order to succeed, rationalization will require utmost political will and commitment from member States.

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<sup>15</sup> The ECA suggests the best scenario for rationalization of the continent's integration efforts towards an African Economic Community as: merging and absorbing the various RECs in line with the five regions identified by the Abuja Treaty namely: North Africa; West Africa; Central Africa; East Africa and Southern Africa. It urges backing up such merger and absorption by signed treaties, protocols and commitment of all African leaders.

## **4.0 Assessing the integration progress - an overview**

According to ARIA I “Progress in African integration is mixed across sectors, regional economic communities and member states. There have been some strides in trade, communications, macroeconomic policy and transport. Overall however, there are substantial gaps between the goals and achievements of most regional economic communities, particularly in greater internal trade, macroeconomic convergence, production and physical connectivity”<sup>16</sup>.

### **4.1 Trade liberalization and facilitation**

RECs are registering significant progress in this area, especially in the case of UEMOA and COMESA, but progress towards harmonized and integrated sub regional markets is slow with formal intra community/REC trade recorded at a low of about 10.5%<sup>17</sup>. This is mainly attributed to lack of complementarity and diversification of production structures, high production costs and the domination of export trading by a few countries. SADC, ECOWAS, CEN-SAD and COMESA lead in intra REC trade. In the case of COMESA, for example, the intra-regional trade amounted to US\$4.8 billion in 2003; however this only represented a bit less than 7% of the total trade of COMESA member states.

Although the entry into force of the COMESA free trade agreement has led to a notable rise in intra-COMESA trade (trade within the region doubled in value between 1997 and 2005), most of the countries in the region still reserve privileged access to markets in Europe, North America or Asia rather than tapping into COMESA markets.

Although some RECs have made strides towards free trade and a customs union, full market integration remains an aspiration.

#### **4.1.1 Elimination of tariffs**

In ECOWAS the efforts to eliminate tariffs have begun and all members except Liberia have eliminated tariffs on unprocessed products. Revitalization of trade liberalization has begun with the fast track initiative between Ghana and Nigeria.

In UEMOA, all member states committed themselves to the progressive creation of a free trade area from 1994 to 2000.

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<sup>16</sup> ARIA I: 41

<sup>17</sup> Arguably, this figure could be higher if informal trading were recorded.

All members of CEMAC had eliminated tariffs, fulfilling the requirements for a customs union by 1994.

COMESA began reducing tariffs in 1994 and sought to have eliminated all of them by 2000, when it declared a free trade area as per the terms of the trade protocol. Some countries have fully liberalized inter-regional trade, others only partially.

EAC members are still implementing tariff reductions. The Customs Union Protocol was signed in 2004 and came into force in 2005.

SADC's tariff reduction scheme allowed countries to choose the products on which to reduce duties as long as the overall goal was attained. For example, Tanzania's tariff removal would have been staggered if aiming at a 100% elimination in 2012, and the same applies to South Africa.

#### **4.1.2 Non tariff barriers**

Progress on removal of non-tariff barriers is harder to assess, as data on such barriers are inadequate and by their very nature, they are not directly measurable. Such barriers include: stalling customs clearance papers through rent-seeking behavior of customs officials; roadblocks that harass cross-border traders and cumbersome customs formalities. A COMESA secretariat 2001 study confirmed the effect of non-tariff barriers on trade flows in the sub region. (Ibid: 87). In the East African sub region, non-tariff barriers are seen as a key impediment to intra-regional trade, especially in terms of lack of implementation (either due to limited capacity or unwillingness) of decisions taken through the integration process. A case in point is the lack of compliance with the rules of origin, which was intended to facilitate trade. Such impediments to intra-regional trade provide an incentive for traders to resort to bypassing the formal bureaucracy and engage in informal trading. Poor and non-existent infrastructure is the other barrier to intra-regional trade. Especially for landlocked countries, this occasions extremely high transportation costs. A 2001 UNCTAD report states that for Rwanda, transportation costs amount to as high as 48% of its export value. Insecurity and violence are the other factors that hinder trade by creating an unstable and unfriendly business environment.

#### **4.2 Free movement of persons**

Three RECs- CEMAC, ECOWAS and EAC have made considerable progress in enhancing the movement of people across regional borders. Indeed, the latter two have instituted regional passports. In practice, however, the movement of people is less free than it is supposed to be, with reported instances of harassment of travelers at border crossings and along interstate roads. There is reported progress in implementing the protocols on the right

of residence, however, the labor market and business environment in some member countries pose greater difficulties for immigrants than nationals. The ECA 2006 survey states that 90% of countries had abolished entry visas for all or some of the REC members whereas only 65% of countries favor the right of establishment.

### **4.3 Infrastructure and communication**

All RECs have introduced a form of instrument to promote transit, reduce cost and enhance efficiency, for example through the Yamoussoukro Decision to gradually liberalize air transport in Africa. In the West and East African sub regions, railway interconnection projects have been conceived. Yet transport costs in Africa remain the highest in the world, with many road, air and rail networks remaining unconnected. This leads to unsustainably high costs of conducting business.

In terms of communication, due to the global advances in telecommunications technology and private sector involvement, there is measurable improvement in inter-country connectivity. For example, the action by major mobile telephony service provider Zain Company Limited (formerly Celtel), to merge its Kenyan, Ugandan and Tanzanian networks, thereby offering the first regional 'borderless' network (the tariffs for this service are substantially lower than roaming charges) in the world is seen as a major boost to inter regional communication. Some RECs demonstrate better connectivity (SADC, ECOWAS, COMESA, and UMA) while others (CEMAC, ECCAS and CEPGL) lag behind.

The phenomenal growth of the Internet in the last few years has also impacted on Africa. Although progressing at a slower rate than in other parts of the world, Internet connectivity is also transforming countries in the continent. With massive investments in telecommunications infrastructure, new partnerships between governments, agencies and NGOs, and a variety of private and public initiatives sprouting up, the landscape is rapidly changing. The weak telecommunication infrastructure in most African countries remains the main obstacle to the wide-spread implementation of Internet technology in Africa. Despite various efforts to enhance connectivity, including the undersea cable projects, there are still a number of technological, environmental, operational and financial bottlenecks constraining the rapid growth of Internet connectivity in Africa as compared to other regions of the world.

In most connected African countries, services are mainly limited to the urban centers, and usually only available in major cities. Very few Internet Service Providers (ISPs) in African countries have points-of-presence (PoPs) outside the cities. This, it has been argued, is mainly due to the poor telephone connections in remote regions.

Infrastructural problems include: bottlenecks due to low-speed and narrow-bandwidth lines, the poor quality of connections, the limited coverage of the telecommunications

infrastructure, and the small number of lines available. Other obstacles include high installation charges and usage fees. The high cost of some of the available long-haul (terrestrial or satellite) links to the high-speed Internet backbones is another key obstacle to Internet growth in Africa. As one would expect, the high cost of long-haul connectivity usually translates into high subscription and connection charges to ordinary subscribers, which in turn poses problems for end-users and ISPs alike.

Finally, the acute shortage of technical staff to design, install, operate, support and maintain Internet nodes and backbone networks should be mentioned. Lack of technical support for end-users is another serious limitation. In fact, numerous Internet initiatives and projects in African countries have been delayed or even postponed due to the shortage of people with proper technical skills.

Particular progress has been made in infrastructure development in West Africa (ECOWAS) and in southern Africa (SADC). Through the SADC power pool, there is joint strategy formulation in that region with regard to energy.

#### **4.4 Peace and security**

Africa remains a hotbed of conflicts, some of them extremely violent. A number of RECs established to pursue economic development are largely preoccupied with peacekeeping operations. For example, given the numerous violent conflicts in West Africa, ECOWAS addresses issues of peace and security through ECOMOG. Further, its ability to concentrate on its initial mandate of enhancing the economic prosperity of the sub-region is constrained by the absence of peace. The Great Lakes region and the Horn of Africa have had their fair share of protracted violent conflicts. The major effects of these conflicts in the sub-region is the great loss of lives, destruction of the sociopolitical order in the region, wide spread looting of economic resources, the erosion of states' legitimacy, the weakening of international borders, growth of militia and private armies and the massive displacement of persons. Sustainable peace remains elusive despite peace efforts.

Therefore, significant progress in integration is limited by the inability or unwillingness to prevent and decisively resolve numerous conflicts across the continent.

#### **4.5 Gender status in the RECs**

Despite the fact that most REC member countries have been party to several commitments for gender justice and equity, the mainstreaming of gender issues within the integration processes is less than satisfactory. An assessment by the Africa Capacity Building Foundation finds that most RECs do not have gender policies that would provide a framework within which to address gender issues. There is lack of gender mainstreaming in

institutional strategies, programs and plans; gender inequalities and discrimination; gender sensitivity/insensitivity with regard to staff composition and hiring of consultants; possible gender bias in modes of appointments and gender sensitive/insensitive capacity building programs. This study recommends that all RECs should have a gender policy anchored in international conventions specifically the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW) and adherence to the AU solemn declaration on gender equality in Africa. A comprehensive gender policy, coupled with adequate human and financial resources would provide a sufficient framework within which to address gender issues more meaningfully. RECs should ensure there are relevant legal and constitutional instruments that support gender policies in respective member states to ensure uniformity in the way member states deal with gender issues within a particular REC.

## **5.0 Recommendations on regional integration**

- Design mechanisms to mainstream and measure informal trade within regional integration. A 2008 paper by the United Nations University-Comparative Regional Integration Studies, elaborates well on this dynamic of bottom up integration, otherwise referred to as 'regionalization' as providing an impetus for 'formal' integration. This phenomenon is especially visible in regional trading and pastoralist activities;
- Enhance policy convergence within RECs;
- Enhance the coordination between RECs and member countries;
- Design creative and innovative ways to secure political will and stakeholders' support for regional integration;
- Establish mechanisms to ensure that the process of continental integration led by the African Union are complementary and supportive to regional integration efforts and vice versa;
- Redress the underlying structural constraints, including deep-seated distrust among member states, which fundamentally limit the depth and progress in regional integration

## **6.0 Inventory and brief description of the eight AU-recognized RECs**

### **6.1 Union du Maghreb Arabe/ Arab Maghreb Union (UMA)**

The first Conference of Maghreb Economic Ministers in Tunis in 1964 established the Conseil Permanent Consultatif du Maghreb (CPCM) between Algeria, Libya, Morocco, and Tunisia, to coordinate and harmonize the development plans of the four countries as well as inter regional trade and relations with the European Union. However, for a number of reasons, the plans never came to fruition. It was not until the late 1980s that new impetus began to bring the parties together again. The first Maghreb Summit of Heads of State, held at Zeralda (Algeria) in June 1988, resulted in a decision to set up the Maghreb High Commission and various specialized commissions. On February 17, 1989 in Marrakech, the Treaty establishing the AMU was signed by the Heads of State of the five countries including Mauritania. The AMU is currently dormant, but attempts are under way to revive it. The AMU has no relations with the African Economic Community (AEC) and has not yet signed the Protocol on Relations with the AEC. It has, however, been designated a pillar of the AEC. AMU's institutional structure includes: a Council of Heads of State; Consultative Assembly; Council of Foreign Affairs Ministers; a Court of Justice and General Secretariat.

#### **6.1.1 Objectives and mandate**

AMU aims to safeguard the region's economic interests, foster and promote economic and cultural co-operation, and intensify mutual commercial exchanges as a precursor for integration and the creation of a North African Common Market (also referred to as Maghreb Economic Space). Common defense and non-interference in the domestic affairs of the partners are also key aspects of the AMU Treaty.

The Treaty highlights the broad economic strategy as: the development of agriculture, industry, commerce, food security, and the setting up of joint projects and general economic cooperation programs. It also provides the possibility for other Arab and African countries to join the Union at a later stage.

#### **6.1.2 Progress overview**

Since 1990, the five countries have signed more than 30 multilateral agreements covering diverse economic, social, and cultural areas. While member countries have ratified varying numbers of these agreements, only five have been ratified by all Union members. These include agreements on trade and tariffs (covering all industrial products); trade in agricultural products, investment guarantees and avoidance of double taxation.

The AMU has not met at the level of Heads of State since April 1994, and has in effect been paralyzed by the dispute over the status of Western Sahara, annexed by Morocco in 1975, but claimed as an independent state by the Polisario Front with Algerian backing. AMU has no working defense or conflict resolution structures. Its treaty states in Article 14: "any act of aggression against any of the member countries will be considered as an act of aggression against the other member countries", but provides no definition of what would constitute 'aggression'. Common defense and non-interference in the domestic affairs of the partners are important aspects of the Treaty but have not been translated into practice. While disagreements over issues such as the Western Sahara still handicap cohesive regional security arrangements, the member states have been able to aid one another in response to natural disasters.

## **6.2 Intergovernmental Authority on Development (IGAD)**

The Intergovernmental Authority on Drought and Development (IGADD) was formed in 1986 with a very narrow mandate on issues of drought and desertification. In the 1990s, IGADD became the accepted vehicle for regional security and political dialogue. The IGADD Heads of State and Government met on 18 April 1995 at an Extraordinary Summit in Addis Ababa and resolved to revitalize it into a fully-fledged regional political, economic, development, trade and security entity similar to SADC and ECOWAS. It was envisaged that the new IGADD would form the northern sector of COMESA with SADC representing the southern sector. One of the principal motivations for the revitalization of IGADD was the existence of many organizational and structural problems that made the implementation of its goals and principles ineffective. On 21 March 1996, the Heads of State and Government at the Second Extraordinary Summit in Nairobi approved and adopted an Agreement Establishing the Intergovernmental Authority on Development (IGAD). Its activities in charge of peace and security and of development issues as well as a recognition by the AU as one of the RECs demonstrates that RECs also display an overlap in areas of activities.

### **6.2.1 Objectives and mandate**

Article 7 of IGAD's establishing agreement stipulates its mandate as:

- the promotion of joint development strategies;
- the gradual harmonization of macroeconomic policies in the social, technological and scientific fields;
- harmonization of trade, customs, transport, communications, agricultural and natural resources policies;

- promoting programs and projects for sustainable development of natural resources and environmental protection;
- Developing and improving a coordinated and complementary infrastructure (transport and energy); and
- Promoting peace and security.

IGAD seven member countries: Djibouti, Eritrea, Ethiopia, Kenya, Somalia, Sudan and Uganda. Its key organs are: the Assembly of Heads of State and Government; Council of Ministers; Committee of Ambassadors and the Secretariat (with a staff of 44). It also has two specialized institutions, the Conflict Early Warning and Response Mechanism (CEWARN) and the IGAD Climate Prediction and Applications Centre (ICPAC) located in Addis Ababa and Nairobi respectively. An IGAD Business Forum was established in 2002 to ensure effective implementation of its mandate.

### **6.2.2 Progress overview**

IGAD signed the Protocol on Relations between the AEC and RECs on 25 February 1998. It collaborates with COMESA and the EAC to avoid project duplication.

Much of IGAD's attention is directed at peace efforts in Somalia, Sudan and the tensions between Ethiopia and Eritrea. It also focuses on capacity-building, awareness creation, and on the early warning of conflicts. Other issues of importance include: food security; developing appropriate modalities for regional peacekeeping; and terrorism. IGAD has steered mediation efforts to solve some of the long lasting conflicts of the Horn of Africa. It played an instrumental role in the signing of the Machakos Protocol between the Sudan People's Liberation Movement/Army (SPLM/A) and the Sudanese and in 2005, the signing of the Comprehensive Peace Agreement. Similarly IGAD has been very influential in the process towards the formation of the Transitional Federal Government (TFG) in Somalia. IGAD is very active in developing instruments to curtail conflicts in Eastern Africa. It has instituted an early warning mechanism, the Conflict Early Warning Mechanism (CEWARN) and been tasked to set up the Eastern African chapter of the African Union's stand-by force.

### **6.3 Southern African Development Community (SADC)**

SADC was established as a development coordinating conference in 1980 and transformed into a development community in 1992. The concept of a regional economic co-operation in Southern Africa was first discussed at a meeting of the Frontline States foreign ministers in May 1979 in Gaborone. The meeting led to an international conference in Arusha, Tanzania two months later which brought together all independent countries (with the exception of the then Rhodesia, South West Africa, and South Africa), and international donor agencies. The

Arusha conference in turn led to the Lusaka Summit of April 1980. After adopting the declaration, which was to become known as 'Southern Africa: Towards Economic Liberation', Sir Seretse Khama was elected the first chairman of the SADCC. Its 15 members are: Angola, Botswana, Democratic Republic of the Congo, Lesotho, Malawi, Madagascar, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia, and Zimbabwe.

SADC structures include the Heads of State and Government; Council of Ministers and SADC National Committees (for national coordination and implementation of SADC programs). It covers a population of 248 million, and has a combined GDP of over US\$ 375 billion.

### **6.3.1 Objective and mandate**

SADC's regional integration agenda covers more than just trade, but the Trade Protocol, signed in August 1996, seems to be driving the integration process. The Trade Protocol entered into force on 25 January 2000, when 11 members signed it.

### **6.3.2 Progress overview**

SADC achieved a free trade area in August 2008 with the next step being to develop a program of cooperation aimed at expanding regional production capacity through provision and rehabilitation of regional infrastructure to facilitate efficient movement of goods and people.

In 2006, intra SADC trade accounted for about 20% of SADC's total trade. In 2007, the region registered an average real GDP growth of about 6% and average inflation slowed to 8.3% (excluding Zimbabwe). Tariff liberalization within SADC is asymmetrical. Countries are classified into three groups: SACU members (South Africa, Botswana, Lesotho, Namibia and Swaziland); developing countries (Mauritius and Zimbabwe); and less developed countries (LDCs) (Malawi, Mozambique, Tanzania and Zambia).

Ten SADC member states have now ratified the Finance and Investment Protocol, which aims to harmonize policies on taxation, investment, development finance, stock exchanges, insurance, exchange control payments, and clearing systems and macroeconomic convergence.

The trade protocol also provides for rules of origin, which have been described as the most contentious and unresolved issue on SADC's regional integration agenda, especially for clothing and textiles. Member states agreed on product specific rules of origin on all goods. These restrictive rules of origin could be a barrier to both regional trade and international competitiveness as they will be costly to monitor and enforce.

SADC's future plans for deeper integration are spelled out in the Regional Indicative Strategic Development Plan (RISDP)<sup>18</sup>. It spells out the broad agenda and targets for deeper integration by 2015. The establishment of the FTA in 2008 is a step towards establishing a SADC customs union by 2010 and common market by 2015.

#### **6.4 Communauté des Etats Sahélo- Sahariens (CEN-SAD)**

The Community of Sahel-Saharan States CEN-SAD is a framework for Integration and Complementarity. CEN-SAD was established on 4th February 1998 following the Conference of Leaders and Heads of State held in Tripoli (Great Jahamiriya). The General Secretariat is based in Tripoli and its operations entirely supported by Libya. About 60 officials constitute the staff carrying out regular activities far below its estimated personnel requirement of 160 as outlined in its organizational structure. Its institutional organs include the Conference of the Heads of States and Government; the Executive Council; the General Secretariat; the Development Bank; and the Economic, Social and Cultural Council.

It has 23 members with Mauritania geared to be the 24<sup>th</sup> member, "making it the flagship of African RECs". The Treaty on the establishment of the Community was signed by the Leader of Great El-Fateh Revolution and the Heads of State of Burkina Faso, Mali, Niger, Chad and Sudan. The Central African Republic and Eritrea joined the Community during the first Summit of the organization held in Syrte in April 1999. Senegal, Djibouti and Gambia joined during the N'djamena Summit in February 2000. Other countries joined later, and still more are in the process of joining the Organization.

##### **6.4.1 Objectives and mandate**

CEN-SAD's mandate is to establish knowledge-based economic union between member countries to face drought and aridity that have severe consequences for the circum-Saharan area. All its current members are directly threatened by the desert. It is built around the economic objective of union beyond ecological, geo political and linguistic cleavages. It intends to work, together with the other RECs to strengthen peace, security and stability and achieve global economic and social development.

##### **6.4. 2 Progress overview**

CEN-SAD is working to create a common market. Since its creation it has implemented a number of sectoral policies and programs towards a common market and several legal and

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<sup>18</sup> This document seeks to align the strategic objectives and priorities with the policies and strategies to be pursued in attaining full integration into a full-fledged common market over a period of 15 years.

political instruments have been designed to this end. The economic programs focus on infrastructure, transport, mines, energy, telecommunications, social sector, agriculture, the environment, water and animal health. The REC created the Special Funds for Solidarity and drafted the Free Trade Area Treaty.

## **6.5 Common Market for Eastern and Southern Africa (COMESA)**

Formed in 1994, COMESA is the successor to the Preferential Trade Area (PTA) for Eastern and Southern Africa established in 1981. The establishment of COMESA was a fulfillment of the requirements of the PTA Treaty, which provided for the transformation of the PTA into a common market ten years after the entry into force of the PTA Treaty.

It has 21 members: Angola, Burundi, Comoros, the DRC, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Mauritius, Mozambique, Namibia, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia and Zimbabwe.

COMESA main organs are: Authority of the Heads of State and Government; Council of Ministers; Inter governmental and technical committees; and the secretariat which has nine divisions, gender and resource mobilization units and six specialized institutes supporting the secretariat. There are 36 professional staff.

### **6.5.1 Objectives and mandate**

Its mandate is to create a fully integrated and internationally competitive REC in which people enjoy high and rising standards of living, peace, political and social stability and in which goods, services, capital and labor move freely across borders.

### **6.5.2 Progress overview**

COMESA has implemented a wide range of programs and activities on trade liberalization and facilitation, monetary integration, infrastructure development, information and communication technology, investment promotion, private sector development, peace and security, gender mainstreaming and women in business.

In October 2000, it launched a free trade area which now has 14 member states participating. The 13th Summit of the COMESA Heads of State and Government officially launched the COMESA Customs Union in Victoria Falls (Zimbabwe) on 8 June 2009.

The community has made significant progress in eliminating tariff and non tariff barriers to intra-regional trade (adoption of a single customs document; simplifying rules of origin;

installing Euro Trace<sup>19</sup> in most member states; harmonized road transit charge, COMESA yellow card). It has adopted two programs to boost intra-regional trade, dissemination of trade information and building of productive capacities and competition in member states.

Key impediments include the poor state of its domestic and inter-regional transport and communication structures, access to information on trade opportunities, and bottlenecks at border crossings. COMESA's revised draft Medium Term Strategic Plan (MTSP) for 2007 to 2011 outlines its integration targets.

According to the ACBF assessment<sup>20</sup>, like other RECs, the COMESA secretariat and member states have a weak human and institutional capacity base. Unlike most RECs, COMESA has a comprehensive gender policy, its implementation plan and a gender unit. However, it needs resources to upgrade the unit to a division for effective implementation of the gender policy in member states. COMESA needs to enhance its networking relations with other RECs, member states and CSOs to improve information exchange, sharing of best practices and to deepen integration. It has a weak resource mobilization and utilization capacity as evidenced in member states' arrears, heavy reliance on donor support and poor coordination of resources.

A common investment area is to be created in line with the Common Investment Agreement to enable harmonization of the different investment regimes.

## **6.6 East African Community (EAC)**

The EAC was re-launched in 2001 after the dissolution of the previous Cooperation Treaty in 1977. It is driven by a vision to build a prosperous, competitive, secure and politically united East Africa. It seeks to deepen economic, political, social and cultural integration to improve the region's people's quality of life.

EAC has five member states: Burundi, Kenya, Rwanda, Uganda and Tanzania. Its main organs are the Summit of Heads of State; Council of Ministers; Coordination Committee; Sectoral Committees; the East African Court of Justice; the East African Legislative Assembly; and the Secretariat.

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<sup>19</sup> Euro Trace is the customs management and trade statistics systems for data and revenue collection.

<sup>20</sup> See The African Capacity Building Foundation (2008): "A survey of the capacity needs of Africa's Regional Economic Communities".

### **6.6.1 Objectives and mandate**

The EAC is committed to cooperation in priority areas of transport and communication, trade and industry, security, immigration and the promotion of investment in the region. Objectives are to be realized incrementally through a Common Market, Monetary Union and ultimately a Political Federation of the East African States.

It is keen to fast track its integration agenda and has set out a broad and ambitious program aimed at achieving both an economic and political federation between its member states. Political federation targets the establishment of a three-year revolving presidency by 2011 and to have an elected president for the entire federation by 2013.

At present the EAC is the only REC negotiating an EPA (Economic Partnership Agreement) with the European Union. An interim agreement between the EAC and the EU was already signed in November 2008.

### **6.6.2 Progress overview**

The EAC is already in a Customs Union. Unlike the other RECs in eastern and southern Africa, which have adopted an evolutionary approach to attaining a customs union, the EAC provides for it as the first stage in its integration process. The Customs Union Protocol was signed in 2004 and came into force from 2005. In terms of the next steps in its integration process, the final round of negotiations on the Common Market Protocol held in early April 2009 ended without agreement on three key aspects: land rights, the use of national identity cards as travel documents within the region and the right to permanent residency owing to the reservations of one member state, Tanzania. These contentious articles were bracketed for the decision of the EAC Summit of Heads of States held at the end of April 2009.

The Summit resolved to sign the Protocol for the EAC Common Market at the 11<sup>th</sup> Ordinary Summit scheduled for the 30<sup>th</sup> November 2009 with the rider that the protocol will not include provisions that give authority to override national policies and laws; access to land will not be automatic and the Common Market Protocol will only lay the basis for access to land, the rest will be governed by national laws; the use of National Identity Cards as valid inter-state travel documents will not be universal throughout the EAC. Partner States that wish to do so need to enter into bilateral negotiations to this effect; and that the Common Market Protocol will stipulate and provide for full protection of cross-border investments for East Africans. The contentions outlined above may well represent what lies at the heart of the integration's greatest challenges.

The ACBF assessment found that the EAC has a relatively large gap between the institutional and human resources capacity available and the minimum required to execute its

mandate. It stresses the need for participation of all key stakeholders in integration matters to enhance accountability and citizen's ownership of the program.

“The EAC has a weak foundation in resource mobilization, utilization and management as evidenced in prevalence of member state arrears, over reliance on limited contributions from member states and donor resources and poorly harmonized donor support systems. The EAC needs to enhance its internal capacities to devise innovative resource planning, mobilization and utilization strategies.”<sup>21</sup>

## **6.7 Economic Community of Central African States (ECCAS)**

ECCAS was established in 1983 within the framework of the AEC and seeks to create a common market for Central African states. Its 11 members are: Angola, Burundi, Cameroon, CAR, Gabon, Congo Republic, DRC, Equatorial Guinea, Rwanda, Sao Tome and Principe and Chad. For over a decade seven of its member states experienced military conflicts and civil strife. Between 1992-97, ECCAS experienced economic decline, deteriorating social conditions, and political instability and this stalled integration efforts. It was re launched in 1998 with a more focused mandate.

At a summit meeting in December 1981, the leaders of the Central African Customs and Economic Union (UDEAC) agreed in principle to form a wider economic community of Central African states. CEEAC/ECCAS was established on 18 October 1983 by the UDEAC members and the members of the Economic Community of the Great Lakes States (CEPGL) (Burundi, Rwanda and the then Zaire) as well as Sao Tome and Principe. Angola remained an observer until 1999, when it became a full member. ECCAS began functioning in 1985, but has been inactive since 1992 because of financial difficulties (non-payment of membership fees) and the conflict in the Great Lakes area. The war in the DRC has been particularly divisive, as Rwanda and Angola fought on opposing sides.

The sub-region represents four fifths of Africa's forests and is rich in mineral deposits and some oil reserves. Yet military and civil conflicts have undermined the region's ability to exploit its potential.

### **6.7.1 Objectives and mandate**

Its mandate includes to develop physical, economic and monetary integration of the sub region; to enhance the region's capacity to maintain peace, security and stability and develop capacity for analysis, policy interventions, entrepreneurial initiatives, communication and collective negotiation. ECCAS took the mandate of implementing NEPAD's program of action

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<sup>21</sup> ACBF: 9

in Central Africa. It also has the additional responsibility of coordinating the sub region's strategies for achieving the MDGs.

### **6.7.2 Progress overview**

ECCAS is defined by weak institutional and organizational capacity. Its member states signed a free trade area agreement in 2004 that was to come into force in 2006. This partly reflected the member states' lack of political will to surrender aspects of their respective national sovereignty to the supranational regional body which reflects the inherent weakness and indecisiveness of states in conflict. Inter regional trade only stands at around 2 percent of its total trade volume. Also due to pervasive conflicts, ECCAS has failed to mobilize the necessary resources to execute its mandate.

The ACBF assessment notes that despite donor funded capacity building programs, ECCAS has yet to create the minimum organizational prerequisites necessary to implement regional integration projects. The Community lacks a critical mass of competent staff to drive the regional integration plan.

## **6.8 ECOWAS**

ECOWAS was established in 1975 to promote cooperation and achieve market integration. The idea for a West African community goes back to President William Tubman of Liberia, who made the call in 1964. An agreement was signed between Côte d'Ivoire, Guinea, Liberia and Sierra Leone in February 1965, but this came to nothing. In April 1972, General Gowon of Nigeria and General Eyadema of Togo re-launched the idea, drew up proposals and toured 12 countries, soliciting their plan from July to August 1973. A meeting was then called at Lomé from 10-15 December 1973 to study a draft treaty. This was further examined at a meeting of experts and jurists in Accra in January 1974 and by a ministerial meeting in Monrovia in January 1975. Finally, 15 West African countries signed the treaty for an Economic Community of West African States (Treaty of Lagos) on 28 May 1975. The protocols launching ECOWAS were signed in Lomé, Togo on 5 November 1976. In July 1993, a revised ECOWAS Treaty designed to accelerate economic integration and to increase political co-operation, was signed.

It has 15 members: Benin, Burkina Faso, Cape Verde, Cote d'Ivoire, The Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo. The Executive Secretariat is the key organ facilitating, coordinating and monitoring the implementation of the REC's mandate. Its institutions include the Commission; Community Parliament; Community Court of Justice and ECOWAS Bank for Investment and Development (EBID).

### **6.8.1 Objectives and mandate**

Its main objective is to promote regional economic cooperation and meet new developmental challenges.

### **6.8.2 Progress overview**

ECOWAS has internalized NEPAD/AU programs and projects as the most appropriate instrument for the promotion of rapid and sustainable socio economic development in the sub region. The ACBF assessment lauds progress stating that its performance in project implementation has been satisfactory, but notes that the secretariat is hampered by a lack of supranational authority. Member states carry out the Community's programs which makes their political will and capacity very critical. The secretariat does not have adequate staff to run programs or implement its growing mandate and is constrained by the inadequacy of equipment and fiscal facilities in the implementation of regional integration programs and projects.

## 7.0 RECs contact details

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Website: [www.maghrebarabe.org/en/](http://www.maghrebarabe.org/en/)

2. IGAD Secretariat

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Fax :+253-356994

Email : [igad@igad.org](mailto:igad@igad.org).

Website: <http://www.igad.org/>

3. SADC Secretariat

Fax: 00267 397 2848

Gaborone, Botswana

Email: [mail:registry@sadc.int](mailto:mail:registry@sadc.int)

Website <http://ww.sadc.int>

4. CEN-SAD Secretariat

P.O.Box 4041 Place d'Algeria

Tel: (00218) 3614832,

(00218) 3614833,

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Fax: (00218) 3614832

Website: <http://www.cen-sad.org>

5. COMESA Secretariat,

COMESA Centre Ben Bella Road, P.O Box 30051, LUSAKA, Zambia

Tel: (260) 1 229725 – 32; 226625; Fax: (260) 1 225107

Website: <http://www.comesa.int/>

6. East African Community Secretariat

Arusha International Conference Centre  
5th Floor Kilimanjaro Wing  
P.O. Box 1096 Arusha, Tanzania

Tel: +255 27 2504253/8

Website: <http://www.eac.int/>

7. Secrétariat Général de la CEEAC

Mairie de Haut de Gue Gue, BP 2112, Libreville – Gabon

Tel: +241-44 47 31; Fax: +241-44 47 32

Website: <http://www.ceeac-eccas.org>

8. ECOWAS Secretariat

101, Yakubu Gowon Crescent, Asokoro District, Abuja, Nigeria

Website: <http://www.ecowas.int>

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### **Other websites**

South African Institute for International affairs: <http://www.saiia.org.za/>

L'Union du Maghreb Arab <http://www.maghrebarabe.org/en>

Intergovernmental authority on development: <http://www.igad.org>

South African Development Cooperation <http://www.sadc.int>

Community of Sahel Saharan states. <http://www.cen-sad.org>

Common Market for East and Southern Africa: <http://www.comesa.int>

East African community: <http://www.eac.int>

Communaute Economique Des Etats De l'Afrique Centrale: <http://www.ceeac-eccas.org>

Economic Community of West African States: <http://www.ecowas.int>