



#### Department of Economic Affairs,

African Union Commission Roosevelt Street, W21, K19 Po. Box: 3243 Addis Ababa, Ethiopia

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# AFRICAN INTEGRATION









**DEPARTMENT OF ECONOMIC AFFAIRS** 

African Union Commission March 2019













































## **FOREWORD**

Since the initiative of the Founding Fathers of the Organization of African Unity (OAU) in 1963 until its transformation into the African Union (AU) in 2001, the Heads of State and Government have always fully appreciated the link between continental integration and development. It is from this standpoint that for decades, they have continued to adopt policies and put in place strategies geared towards speeding up the Continent's integration, and, among other things, achieving the pan-African vision of an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the global arena. Therefore, in the context of globalization, to be united has become an imperative for the future of the Continent, for despite the performances in terms of relatively remarkable growth in the 2000-2010 decade, the African continent has remained economically and politically marginalized, with about a 3%

share of world trade in 2018, and a virtually inaudible voice in the concert of nations.

There are many constraints to the development of intra-African trade as well as trade with the rest of the world. They include tangible and intangible infrastructures, customs and administrative policies, the narrowness of markets due partly to insignificant purchasing power, the weakness of financial markets, lack of diversified productive base and the absence of mechanisms for the coordination and harmonization of regional policies.

Aware of these challenges and the urgent need to address them, the Heads of State and Government, at the Ordinary Session of their Assembly in 1991, adopted the Abuja Treaty Establishing the African Economic Community (AEC), and considered the Regional Economic Communities (RECs) as the main pillars to achieve this. Furthermore, in order to accelerate and successfully complete the regional and continental integration process, in January 2015 the Heads of State and Government adopted Agenda 2063, which takes into consideration the new dynamics in global socio-economic development.

In addition to their actions to promote peace and security, the RECs are facing great challenges related to improving the living conditions of African populations, which entails the implementation of strategies and policies that will foster the Continent's growth and

development. The translation into reality of Agenda 2063 and the resulting flagship programmes, is part of this dynamics.

This Booklet is a communication tool for the African Union on the integration process. It is designed to identify the progress made as well as the challenges faced by the different RECs. In addition, it makes it possible to take stock of recent developments at regional and continental levels, and highlights the contemporary challenges to the successful integration of the Continent.

This First Edition of the Booklet is of particular significance because its publication coincides with the adoption of the African Continental Free Trade Area (AfCFTA). The Booklet therefore provides a summary review, of the integration process, with the achievements as well as the challenges. It will serve as a reference point for speeding up the implementation of the next stages of integration. We therefore invite all policy-makers, academics, development partners, investors and other stakeholders in African integration to discover it.

Initiated by the Economic Affairs Department under the political oversight of His Excellency Prof. Victor Harison, Commissioner for Economic Affairs, and the technical supervision of the late Dr. René N'Guettia Kouassi, the former Director of Economic Affairs, assisted by Mr. Jean-Denis Gabikini, Head of the Economic Integration and Regional Cooperation Division, and Mr. Pierre

N'Guessan Dje, Statistician-Economist in charge of Integration at the African Union Commission, the Booklet will be revised annually in order to provide a better analysis of the state of integration in the different regions of the African continent.

Acting Director, Economic Affairs Department
African Union Commission

Marsha

Jean-Denis Gabikini

## VARIOUS AFRICAN UNION INTEGRATION PROGRAMMES



## THE ABUJA TREATY

The Abuja Treaty was adopted on 3 June 1991 and entered into force on 12 May 1994. The Treaty translates the vision of the Presidents of the Organization of African Unity, whose general objective was the Continent's integration. To achieve this general objective, the Abuja Treaty was sub-divided into the following 6 principle stages: (i) Establishment and strengthening of existing Regional Economic Communities; (ii) Elimination of tariff and non-tariff barriers: (iii) inter-REC Free Trade Area and Customs Union (iv) Continental Customs Union; (v) African Common Market; and (vi) Pan-African Monetary and Economic Union. The gradual approach is justified by the fact that integration should first be consolidated at regional level, through the

establishment and strengthening of existing RECs, which will eventually be merged to form the African Economic Community.



## MINIMUM INTEGRATION PROGRAMME

Elaborated by the African Union, the Minimum Integration Programme (MIP 2009) is a consensual framework between Member States. the BECs and the African Union Commission (AUC), and is considered a common denominator between the actors of African continental integration. It defines global priorities and establishes monitoring-evaluation processes based on the virtues of the variable geometry approach, which enables RECs to develop at different paces in the integration process. In this context, each REC determines its own pace and sequencing of activities, in such a way that some RECs have been able to achieve further regional integration and rationalization of regional groupings. The MIP comprises the different activities, projects and programmes that the RECs have selected to speed up and achieve regional and continental integration. As a mechanism for convergence between the RECs, it focuses on a few priority areas of concern at regional and continental levels, in which the RECs could strengthen their cooperation and benefit from best integration practices.



## **AGENDA 2063**

Adopted in 2015 by the Heads of State and Government of the African Union, Agenda 2063 is a continental programme for structural and socio-economic transformation, with the ultimate goal of attaining an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the international arena. Through its 7 aspirations and 12 flagship programmes, it proposes a coherent, pragmatic and achievable approach to building a socially cohesive African society, where all the active forces, women and youth are major actors and beneficiaries of the continental transformation process. Agenda 2063 should therefore be regarded as a unique opportunity to rewrite «the African narrative» with a view to instilling enthusiasm and impetus into the African population, and using their constructive energy to define and implement a feasible programme for unity, peace and development during the 21st century. The integration of the continental market is at the centre of this transformation. process, through the establishment of the African Continental Free Trade Area (AfCFTA).

# ACHIEVEMENTS OF THE INTEGRATION PROCESS



## AT CONTINENTAL LEVEL

The sequential planning of African integration envisaged within the framework of the Abuja Treaty shows that achievements at continental level should be visible as from 2018. Therefore, at this time the "African regional integration process cannot be assessed on the basis of continental achievements. However, among the achievements at continental level, it is important to note the following instruments:

#### THE AFRICAN CONTINENTAL FREE TRADE AREA

At its Eighteenth Ordinary Session, the Assembly of Heads of State and Government held in Addis. Ababa in January 2012, decided to speed up the establishment of the African Continental Free Trade Area by the indicative date of 2017 and implement a wide-ranging action plan aimed at boosting intra-African trade. Finally, at the Extraordinary AU Summit, held in Kigali, Rwanda, from 17 to 21 March 2018. Member States signed the Framework Agreement for the official launching of the African Continental Free Trade Area (AfCFTA). The AfCFTA should include the integrated regional markets, and its goal is to establish a vast and attractive continental market unifying the 55 Member States of the African Union. The signature process, which is still underway, currently indicates that 52 countries have signed the Agreement, while 19 have ratified it. It will enter into force when 22 ratifications by Member States of the African Union have been obtained. It therefore augers well for the role the unification of the continental market should play in the transformative approach stipulated in Agenda 2063

The other achievements are the establishment of the following political, judiciary and financial institutions:

#### O THE AFRICAN UNION (AU)

Established on 26 May 2001 in Addis Ababa, Ethiopia, and launched on 9 July 2002 in Durban, South Africa, the AU has several objectives, of which the main one is the realization of unity and integration through the implementation of Agenda 2063 and its Flagship Projects.

### THE NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT (NEPAD)

The New Partnership for Africa's Development is an African Union economic development programme. NEPAD was adopted at the 37th Ordinary Session of the Assembly of Heads of State and Government of the African Union in Lusaka, Zambia, in July 2001. The objective of NEPAD is to provide a global vision and political framework to accelerate economic cooperation and integration between African countries.

#### O THE PAN-AFRICAN PARLIAMENT (PAP)

The Pan-African Parliament, also called the African Parliament, is the legislative organ of the African Union. It held its inaugural session on March 2004. In its first five years, PAP exercised oversight and had advisory powers.

#### THE AFRICAN COURT OF JUSTICE AND HUMAN RIGHTS

The African Court on Human and Peoples' Rights (the Court) is a regional court established by African countries to ensure the protection of human and peoples' rights, fundamental freedoms and reaffirm the obligations of States in Africa. It complements and reinforces the functions of the African Commission on Human and Peoples' Rights. On 10 June 1998, the Assembly of Heads of State and Government of the Organization of African Unity (OAU), meeting in Ouagadougou, Burkina Faso, adopted the Protocol to the African Charter on Human and Peoples' Rights on the establishment of the African Court on Human and Peoples' Rights. The Protocol entered into force on 25 January 2004, after being ratified by more than 15 countries.

#### THE PAN-AFRICAN INSTITUTIONS FOR STATISTICS

There are two: the Pan-African Institute for Statistics (STATAFRIC) in Tunis, Tunisia, and the Pan-African Statistical Training Centre (PANASTAT) in Yamoussoukro, Côte d'Ivoire. The Headquarters Agreement for STATAFRIC was signed between the Government of the Republic of Tunisia and the African Union in 2018, while negotiations are still underway for the Headquarters Agreement of PANASTAT.

## O THE PAN-AFRICAN FINANCIAL INSTITUTIONS

The Sixth Stage of the Abuja Treaty is the completion of the establishment of the Economic and Monetary Union with the establishment of African Central Bank that is to create a single African currency. In July 2000, following the adoption of the Sirte Declaration in September 1999, the 36th Ordinary Session of the OAU Assembly held in Lomé, Togo, adopted the Constitutive Act of the African Union under which the Heads of State and Government proposed the establishment of two additional financial institutions, namely the African Monetary Fund (AMF) and the African Investment Bank (AIB), given that the African Central Bank was already provided for in Article 6 of the Abuja Treaty. Furthermore, the AU Commission was charged by the Assembly, pursuant to Decision Assembly/ AU/Dec.109(VI) of January 2006 adopted in Khartoum, Sudan, to conduct a feasibility study on the establishment of a Pan-African Stock Exchange (PASE).

Although the process for the establishment of the financial institutions is underway, there have been delays due to tardiness in signing and ratification of the different protocols.

## THE PROGRAMME FOR INFRASTRUCTURE DEVELOPMENT IN AFRICA (PIDA)

The Programme for Infrastructure Development in Africa is an initiative of the AU Commission, in partnership with the NEPDA Planning and Coordination Agency (NEPAD Agency), the African Development Bank (AfDB) and the United Nations Economic Commission for Africa (UNECA). The Assembly of Heads of State and Government of the African Union officially endorsed PIDA by adopting the "Declaration on the Programme for Infrastructure Development in Africa" (Doc.EX.CL/702(XX)) at their 18th Ordinary Session held in Addis Ababa, Ethiopia in January 2012.

## THE COMPREHENSIVE AFRICA AGRICULTURE DEVELOPMENT PROGRAMME (CAADP)

The Comprehensive Africa Agriculture Development Programme is Africa's policy framework for agricultural transformation, wealth creation, food security and nutrition, economic growth and prosperity for all. In Maputo, Mozambique in 2003, the Assembly of the African Union made the first declaration on CAADP as an integral part of NEPAD.

#### THE SINGLE AFRICAN AIR TRANSPORT MARKET (SAATM)

The Single African Air Transport Market was launched at the January 2018 Ordinary Session of the Assembly of Heads of State and Government of the African Union. It is the realization of the Yamoussoukro Decision, which is a treaty authorizing open skies between most African countries. The Decision was endorsed by 44 AU Member States in 1999 and became binding in 2002.



### AT REGIONAL LEVEL

Achievements made at regional level are for the most part those accomplished by Regional Economic Communities (RECs). Indeed, in its implementation, the Abuja Treaty considers RECs as the entities responsible and concerned during the first 14 years (1994-2017). However, actions are being undertaken in collaboration with existing international organisations such as the African Development Bank (AfDB) and the African Union (AU).

In the implementation of the Abuja Treaty, RECs have developed differently. Some RECs have rapidly attained the integration levels set out by the Treaty, while, others are having difficulties in achieving the stages provided for by the Abuja Treaty.

The East African Community (EAC) and the Economic Community of West African States (ECOWAS) are the two RECs that have achieved the best performances in accordance with the Abuja Treaty. The two communities have already established Free Trade Areas and Customs Unions, in addition to eliminating tariff and non-tariff barriers.

The other communities have, for the most part, been able to reach the stage of eliminating tariff and non-tariff barriers. Among them, the Southern African Development Community (SADC) and Common Market for Eastern and Southern Africa (COMESA) have also been able to establish Free Trade Areas with FAC and ECOWAS. The Economic Community of Central African States (ECCAS), Intergovernmental Authority on Development (IGAD), Community of Sahel-Saharan States (CEN-SAD) and Arab Maghreb Union (AMU) have been able to achieve only two stages of the Abuja Treaty, namely, their establishment (if they did not exist) and strengthening. However, these RECs have undertaken initiatives for the establishment of an FTA

#### STATUS OF IMPLEMENTATION OF THE ABUJA TREATY

**Table 1:** Achievements of RECs in the implementation of the Abuja Treaty





The EAC was one of the RECs endorsed by the Abuja Treaty. It comprises six East African countries, namely, Burundi, Kenya, Uganda, Rwanda, South Sudan and Tanzania. The EAC is recognised by experts and specialists as one of the most advanced in terms of integration. Its main achievements are the following:

- 3-month stay without visa for its citizens,
   6 months for holders of EAC passports;
- A single tourist Visa is used in certain EAC Member States;
- In 2008, it began implementing the EAC Time-Bound Programme for the elimination of identified non-tariff barriers;

- Rwanda and Ethiopia have signed an open skies agreement that enables national airline companies to operate freely without restrictions in their air space (March 2016).
- EAC Protocol on Information and Communication Technology (ICT) Networks, which is a legal framework for cyberlaws, migration from analogue to digital broadcasting (January 2015), implementation of the framework for harmonised EAC roaming charges for mobile communication services, including the elimination of additional charges on international telecommunication traffic;
- Signing and ratification of the Single Currency Treaty;
- The EAC adopted a Code of Conduct developed by the East African Business Council to combat corruption in the private sector;
  - All Partner States have promulgated the laws/Administrative Procedure which guarantee citizens from other Partner States a six-month stay period in a partner country as a visitor;
- EAC Vision 2050 has been launched and is aligned with Agenda 2063; The Strategic Plan 2016-2021 is currently being elaborated to be aligned with the Strategic Plan of Agenda 2063;

12 13

ONGOING

NOT REALISED

REALISED

- A Committee of Experts is presently developing a draft Constitution for the Political Federation:
- Some Partner States have agreed on and signed Mutual Recognition Agreements (MRA) auditing, architectural services, engineering and veterinary professions;
- The EAC Food Security Action Plan is being implemented;
- The internationalisation of the East African passport has been launched and will be operational in 2017:
- The Republic of Kenya, the Republic of Rwanda and the Republic of Uganda have agreed on and established an Arrival and Departure Cards and approved the Classification of work permits;
- The East African Monetary Union (EAMU)
   Protocol has been signed and ratified;
- Bills aimed at establishing EAMU institutions have been drafted and are awaiting consideration;
- The framework for the harmonisation of budgetary policy has been developed and implemented;
- The Double Taxation Agreement has been concluded and adopted;

- A mechanism for the coordination of financial sector policies has been established and is operational;
- The framework for the harmonisation of statistics has been developed and implemented;
- The East African Payment System has been launched and is operational, except in the Republic of Burundi.



The Economic Community of West African States (ECOWAS) is a West African intergovernmental organisation established on 28 May 1975. It comprises 15 Member States. On 4 June 2017, Morocco initiated steps to join the Community. Mauritania withdrew from the Community, before returning as an Associate Member with the signing of an association agreement on 9 August 2017. Today, the Community is great generating enthusiasm thanks to its many achievements in terms of integration.

 Visa-free movement of ECOWAS citizens within the zone. National passports are currently being converted into ECOWAS regional passports and 7 countries have already started using it;

- Construction of 3 adjacent regional border posts in order to facilitate cross-border movement and reduce harassments as well as time and transport costs;
- ECOWAS Common External Tariff (ECOWAS-CET);
- In 2014, the Treaty aimed at modernising the Abidjan-Lagos Corridor was signed by Bénin, Côte d'Ivoire, Ghana, Nigeria and Togo;
- ECOWAS adopted the West African Common Industrial Policy (WACIP 2015-2020) in order to promote industrial activity, particularly agribusiness, pharmaceutical industry, the building and automotive industries, as well as equipment industry;
- Community deduction of 0.5% from the cost, insurance and freight (CIF) value of imports from outside ECOWAS.



The Southern African Development Coordination Conference (SADCC) was established in 1980 in Lusaka, Zambia to advance the national political liberation cause in Southern Africa, and to reduce dependence on South Africa, then under the Apartheid regime. In 1992, the Heads of Government of the region decided to transform SADCC into the Southern African Development Community with focus on the integration of economic development. With its Headquarters located in Gaborone, in Botswana, SADC comprises 15 Member States. Its major achievements are the following:

• Bilateral agreements enabling the granting of 3-month visas:

- A SADC Regional Industrialisation Strategy based on strategies, visions and national development plans and the Regional Indicative Strategic Development Plan (2015-2020);
- The SADC Free Trade Area (FTA), as envisaged in the 2005 SADC Protocol on Trade, entered into force in August 2008. when the REC achieved the minimum conditions of 85% intra-regional trade. The liberalization of the maximum tariff was achieved in January 2012. when the process for the progressive reduction of tariffs for sensitive products was completed. However, Angola, the Democratic Republic of Congo (DRC) and Seychelles have not signed the agreement, and Mozambique should complete the process in 2015 for South African imports. In addition, Malawi, Zimbabwe and Tanzania were authorized to impose 25% import duties on sugar and paper products until 2015 in order to allow the industries to adjust;
- Agreements on three months visa-free stay within the framework of bilateral agreements;
- 52% of intra-African trade United Nations Conference on Trade and Development. (UNCTAD);

- In 2003, the SADC Regional Indicative Strategic Development Plan (RISDP) envisaged that the REC would become a Free Trade Area (FTA) by 2008, a Customs Union (CU) by 2010, a Common Market by 2015, and a Monetary Union by 2016, with a single currency. However, to date, SADC has not succeeded in establishing a CU due to several challenges, namely: the adherence by SADC Member States to several Regional Integration Agreements (RIA), and to other AU RECs, and the subsequent challenge of fulfilling several obligations; complex and divergent trade policies and revenue constraints: differences in the levels of development of Member States; complicated rules of origin; poor infrastructure and trade facilitation systems;
- The SADC Regional Industrialization Strategy is derived from strategies, visions and national development plans, as well as the Regional Indicative Strategic Development Plan (2015-2020). It is also informed by the Action Plan for the Accelerated Industrial Development of Africa (AIDA) and Agenda 2063, based on industrialization competitiveness and regional integration;

The SADC Integrated Regional Electronic Settlement System (SIRESS), was developed to reduce the settlement of regional financial transactions from 2-3 days to 24 hours. It has been operational in 4 countries since July 2013, and 9 additional countries joined in 2015.



The Economic Community of Central African States (ECCAS), established in October 1983 and with its Secretariat General put in place in January 1985, presently comprises 11 Member States. Due to socio-political unrests and armed conflicts in most of the Member States, ECCAS experienced a period of inactivity from 1992 to 1998. However, it has been able to undertake actions towards the integration of Central Africa.

- The Central African Power Pool (dam) (CAPP), an institutional framework for regional cooperation and the respect of political commitments in order to unlock the energy potential of the region;
- Adoption of a Regional Electricity Market Code:

- Adoption (May 2015) of an autonomous funding mechanism of PEAC;
- Implementation of the Programme for Infrastructure Development in Africa (PIDA), particularly in the land and air transport sectors and ICT:
- Implementation of the National Regulatory Harmonisation Programme: (adoption of ITC frameworks, cyber security, regulatory framework, etc.);
- Implementation of the "High Bandwidth Optical Fibre" Infrastructure Development Programme:
- Continuation of the finalisation of the Consensus Action Plan for the Deployment of Electronic Communication Infrastructure (PACDICE-AC);
- Adoption of a regional water policy and a Regional Action Plan for Integrated Water Resources Management (PAGIRE);
- Establishment of organs (Management Unit) and a regional database;
- Adoption (May 2017) of a Regional Green Economy Programme covering 7 sectors;
- Adoption of a Regional Anti-Poaching Policy (SYLABAC);

- In 2014, the ECCAS Conference of Ministers established a Green Economy Fund in Central Africa (FEVAC) with focus on decreasing dependence on natural resources (mines) while creating jobs;
- Establishment of the Parliamentarians Network of for Resilience to Disaster in Central Africa (REPARC) in October 2015 in Kinshasa;
- Establishment of an Annual Sub-Regional Platform for Disaster Risk Reduction (DRR);
- Establishment of the Climate Application and Prediction Centre of Central Africa (CAPC-AC);
- Implementation of the Comprehensive Africa Agriculture Development Programme (CAADP);
- Adoption of a Regional Strategy for the Development of Statistics (May 2015);
- Implementation of the Strategy for the Harmonization of Statistics in Africa (SHaSA): Adoption of Regulations for the Harmonisation of External Trade Statistics (May 2017);
- Adoption of a Regional Aid for Trade Strategy;

- FTA adopted since 2004; However, adoption of major trade instruments (June 2016) and harmonization of the instruments with those of the Central African Economic and Monetary Union (CEMAC); is required
- The Customs Union is in force between 6 CEMAC Member States; harmonisation of the Customs Code and Customs Tariff is underway;
- In addition, a programme for improving the management of public transport is operational between the Member States;
- A regional trade facilitation programme is underway;
- In January 2014, 6 CEMAC Member States decided that citizens of the Community are authorised to cross borders without visas for 90 days. The decision is effective between 4 Member States;
- Some Member States regularly issue visas on arrival at airports (Burundi, Cameroon, Rwanda, and Sao Tomé and Principe). Bilateral agreements exist between the Democratic Republic of Congo (DRC) and the Central African Republic (CAR);
- Launch of the pink vehicle insurance card between the 6 CEMAC States:.



CEN-SAD was established on 4 February 1998 following the Conference of Leaders and Heads of States held in Tripoli, Libya. It was recognized as one of the Regional Economic Communities at the Thirty-Sixth Ordinary Session of the Assembly. It brings together 29 Member States and its headquarters is in Tripoli. Since the outbreak of the Libyan crisis, it has been experiencing some difficulties in functioning. However, it is important to acknowledge that since its inception, the Community has also achieved progress in terms of integration:

 CEN-SAD has developed its agricultural products through better management of water resources and seeds selection;

- Studies initiated on the construction of a railway project linking Libya, Chad, Niger, Burkina Faso, Mali and Senegal;
- Selective visa exemption: "The holders of diplomatic and service passports duly issued and validated and special envoys duly authorized by the High State Authority shall be exempted from entry visas for a stay not exceeding thirty (30) consecutive days in Member States signatories to the decision ";
- Technical study for the establishment of a free trade area;
- Regional Food Security Programmes (RFSP / CEN-SAD);
- Regional Animal Health Programme (AHP);
- The Monograph of Water Resources Project;
- The Great Green Wall Programme (GGW).



At the January 1986 session of the Assembly, several Heads of States and Government signed an agreement which officially established the Intergovernmental Authority on Drought and Development (IGADD), which was to be an Organization for development and combating drought in the region. The Organization was officially replaced by IGAD in 1996, whose mission was to give it a "new" lease on life. Today, IGAD has 7 Member States, excluding Eritrea, which was suspended in 2007. Its achievements in terms of integration are as follows:

 In 2003, IGAD established the Climate Prediction and Applications Centre;

- In 2011, IGAD adopted the IGAD Drought Disaster Resilience and Sustainability Initiative (IDDRSI), a multi-million dollar long-term strategy for drought resilience;
- In 2012, IGAD established the IGAD Centre for Pastoral Areas and Livestock Development (ICPALD);
- In 2012, IGAD adopted the Regional Programme for Training of Veterinary Professionals and established the Sheikh Technical Veterinary School (ISTVS) in Somalia;
- In 2012, IGAD adopted the Minimum Integration Plan and elaborated all the necessary policy documents;
- IGAD established and re-launched the IGAD Business Forum (IBF) on enhancing the role of the private sector in integration;
- IGAD developed the IGAD Sustainable Tourism Master Plan. In 2013, Ethiopia became the first country to implement it;
- IGAD carried out a study on the free movement of persons in the region, which was validated by Member States.



The Common Market for Eastern and Southern Africa (COMESA) is one of the African Regional Economic Communities (RECs), comprising 21 Member States that have agreed to promote regional integration through the development of trade and fostering and facilitating investments. COMESA was established in December 1994 to replace the former Preferential Trade Area (PTA) established in 1983, in Eastern and Southern Africa.

The Member States of COMESA are: Burundi, The Comoros, the Democratic Republic of Congo, Djibouti, Egypt, Ethiopia, Eritrea, Kenya, Libya, Madagascar, Malawi, Mauritius, Seychelles, Rwanda, The Sudan, Swaziland, Zambia and Zimbabwe. With applications for membership from Tunisia and Somalia, the total number of Member States will soon reach 21 countries. Negotiations with Tunisia have

been finalized and Tunisia should become the twentieth member of COMESA at its next Summit.

A few regional indicators for COMESA (2014): a combined total area of approximately 12.6 million km2, with a total population of over 492.5 million inhabitants and a combined GDP of 657 billion US dollars. The different achievements of the Community in terms of integration are as follows:

COMESA FREE TRADE AREA: launched in 2000, COMESA currently manages a Free Trade Area which includes its fifteen Member States, namely, Burundi, The Comoros, Djibouti, Egypt, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, The Sudan, Uganda, Zambia and Zimbabwe. The Democratic Republic of Congo joined the COMESA FTA in December 2015 and is currently finalizing its tariff removal.

THE CUSTOMS UNION was launched by COMESA in 2009. At the time it was launched, Member States agreed to a three-year transition period to domesticate the customs regulations, the Common External Tariff, and the Common Tariff Nomenclature, which would gradually form the Customs Union. The plan was to finalize the Customs Union by 2012. Although the transition period was extended to 2014, the Customs Union is not yet operational.

TRIPARTITE FREE TRADE AREA: In October 2008, COMESA, the East African Community and the Southern African Development Community agreed to negotiate a tripartite free trade agreement between the regional economic communities. After lengthy negotiations, the Tripartite FTA was officially launched in June 2015. Eighteen of the twenty-seven Member States signed the Tripartite Free Trade Agreement (TFTA), with Egypt being the first country to ratify it.

**CONTINENTAL FREE TRADE AREA:** COMESA is among the RECs participating in the negotiations for the Continental Free Trade Area (CFTA).

COMESA established a number of institutions to support the private sector. The institutions are, inter alia:

- Bank for Trade and Development (BDT), the former PTA Bank;
- African Trade Insurance Agency (ATI);
- COMESA Foreign Exchange Centre with the Regional Payment and Settlement System (REPSS);
- COMESA Leather and Leather Products Institute (LLPI);

- COMESA Reinsurance Company (ZEP RE);
- COMESA Monetary Institute (CMI);
- COMESA Competition Commission(CCC);
- COMESA Regional Investment Agency (RIA);
- COMESA Business Council (CBC);
- Federation of National Associations of Women in Business (FEMCOM);
- Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA);
- COMESA Fund:
- Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA)

In order to facilitate cross-border trade and investment, COMESA introduced the following instruments:

- A border post;
- A regional system to guarantee customs transit obligations designed to facilitate the movement of goods under customs seals in the COMESA region;
- Regional Vehicle Insurance Scheme (Yellow Card) for Civil Liability and Medical Costs;

- COMESA Virtual Trade Facilitation System (CVTFS) aimed at facilitating management and monitoring of movement of goods efficiently and in real time;
- COMESA Seed Trade Harmonization Regulations;
- COMESA Simplified Trade Regime (STR);
- Protocol on the Gradual Relaxation and Eventual Elimination of Visa Requirements (known as the Visa Protocol);
- · COMESA Industrial Policy and Strategy;
- COMESA Small and Medium Enterprise (SME) Strategy;
- COMESA Comprehensive Africa Agriculture Development Programme (CAADP) Regional Pact;
- COMESA Agriculture Investment Plan;
- COMESA Regional Livestock Policy;
- Revised COMESA Agreement on Common Investment Areas.;
- Revised Gender Policy and Strategic Plan



- Establishment in 2015 of a Maghreb Bank for Foreign Trade and Investment, with its head office in Tunis;
- Establishment of the Maghreb Federation of Chambers of Commerce:
- Establishment of the Maghreb Employers Union:
- Bilateral provisions for the elimination of visas

The Arab Maghreb Union is an economic and political organisation formed by the five States called "Arab Maghreb", namely Algeria, Libya, Morocco, Tunisia and Mauritania, with the headquarters of the General Secretariat is located in Rabat, Morocco. It is one of the RECs which has achieved the least considering the many problems between the Member States. Its main achievements can be summed up as follows:

- Initiation of the f Maghreb Free Trade Area in 2010 by the Ministers in charge of Trade and the decision on its signing at their subsequent meeting;
- Establishment in 2016 of a structure for regional statistics within the General Secretariat;

# INTEGRATION CHALLENGES

The implementation of the different African integration programmes is faced with many multifaceted challenges. Some of the challenges are listed in this section.



## TRADITIONAL CHALLENGES

- Financing and capacity challenges in the implementation of protocol agreements;
- Protection of national sovereignty;
- Countries' multi-membership of RECs;
- Division of labour between Continental and Regional Organizations;

- Insecurity;
- Weak institutional infrastructure;
- · Unplanned urbanization;
- Conflicts and wars.



## EMERGING CHALLENGES

- Epidemic and pandemic diseases: case of Ebola;
- Terrorism;
- Migration;
- · Systemic economic crisis;
- "BREXIT";



## **ANNEX 1: PROFILES OF RECS**

## **ECOWAS**



Number of Member States: 15 Population: 340 000 000 inhabitants

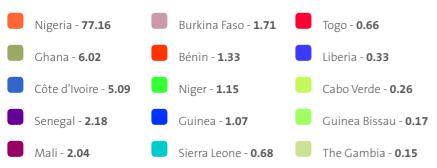
**Area:** 5 112 930 Km<sup>2</sup>

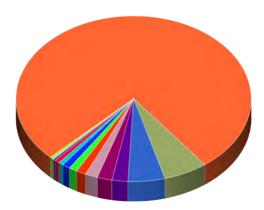
GDP/Inhabitant: 2205,8 USD

Number of currencies in circulation: 8

#### **ECONOMIC WEIGHT (GDP) OF ECOWAS MEMBER STATES:**

#### SHARE OF GDP (%)





SOURCE: AUC, 2018

## **ECCAS**



Number of Member States: 11
Population: 160 000 000 inhabitants

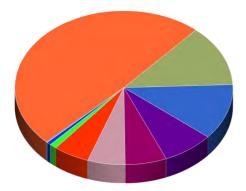
**Area:** 6 640 600 Km<sup>2</sup>

**GDP/Inhabitant:** 1562,5 USD

**Number of currencies in circulation:** 6

## SHARE OF ECCAS GDP (%)





**SOURCE:** AUC, 2018

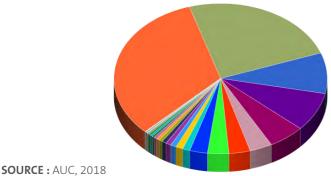
## **CEN-SAD**



Number of Member States: 28
Population: 595 000 000 inhabitants
GDP/Inhabitant: 2449,64 USD/Inhabitant
Number of currencies in circulation: 20

## **SHARE OF TOTAL GDP (%)**

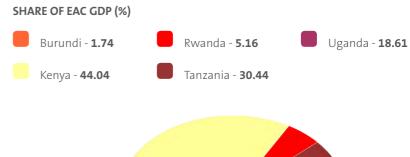


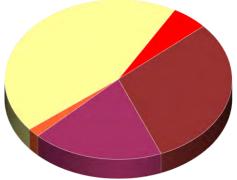


## **EAC**



Number of currencies in circulation: 6





SOURCE: AUC, 2018

## **COMESA**

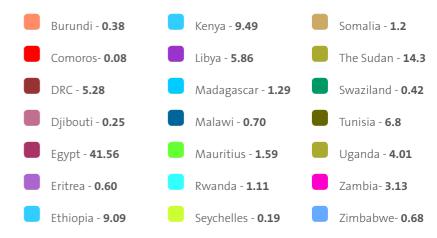
Zimbabwe

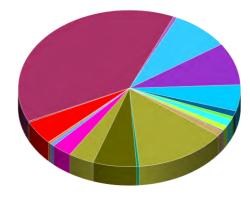


Number of Membre States: 21 **Population:** 518 561 444

**GDP/Inhabitant:** 1490 USD/Inhabitant **Number of currencies in circulation:** 21

#### SHARE OF COMESA STATES IN TOTAL GDP





SOURCE: AUC, 2018

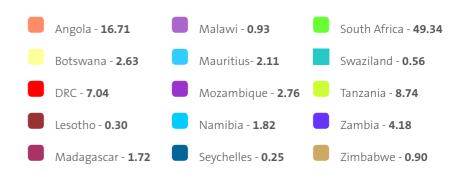
## **SADC**

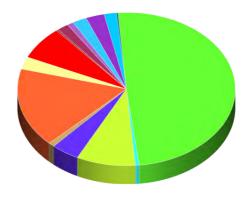


Number of Member States: 15 Population: 329 445 770 Area: 34 268 748 Km<sup>2</sup>

**GDP/Inhabitant:** 1758 USD/Inhabitant **Number of currencies in circulation:** 15

#### **SHARE OF SADC STATES IN GDP**





**SOURCE:** AUC, 2018

## **IGAD**











Djibouti

The Sudan

Ethiopia

Kenya

Somalia

South Sudan

Uganda

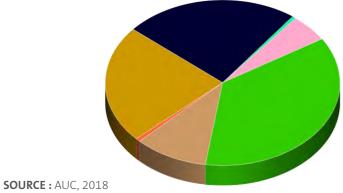
**Number of Member States:** 7

Population: 260 666 700 inhabitants **Area:** 5 233 604 Km<sup>2</sup>

GDP/Inhabitant: 1 197 USD/Inhabitant **Number of currencies in circulation:** 7

#### SHARE OF IGAD STATES IN TOTAL GDP





## **AMU**











Algeria

Libya

Mauritania

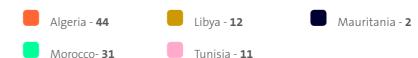
Morocco

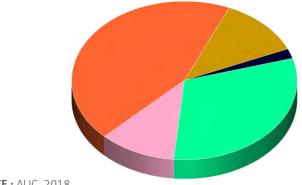
Tunisia

**Number of Member States:** 5

**Population:** 97 064 860 Inhabitants GDP/Inhabitant: 3870 USD/Inhabitant Number of currencies in circulation: 5

#### SHARE OF AMU STATES IN TOTAL GDP

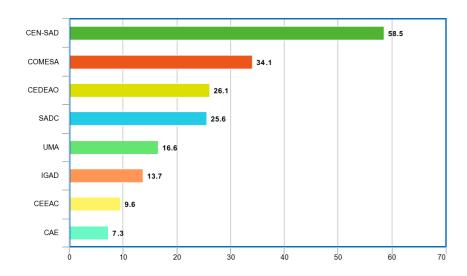




**SOURCE:** AUC, 2018

## **ANNEX 2:** ECONOMIC AND DEMOGRAPHIC WEIGHT OF RECS

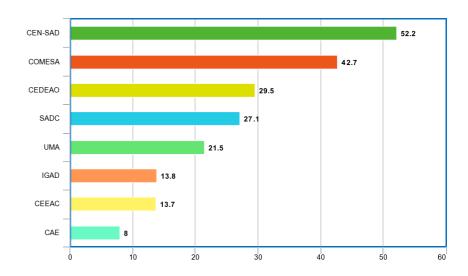
#### WEIGHT OF EACH REC IN RELATION TO AFRICA'S GDP, 2018



**SOURCE:** AUC, 2018

## **ANNEX 3:** DEMOGRAPHIC WEIGHT OF EACH REC

WEIGHT OF EACH REC IN RELATION TO AFRICA'S POPULATION, 2018



**SOURCE:** AUC, 2018

## **ANNEX 4: OBJECTIVES OF THE AFRICAN UNION**

- Achieve greater unity and solidarity between African countries and the peoples of Africa;
- Defend the sovereignty, territorial integrity and independence of its member States;
- · Accelerate the political and socio-economic integration of the Continent;
- Promote and defend African Common Positions on issues of interest to the Continent and its peoples;
- Encourage international cooperation, taking due account of the United nations Charter and the Universal Declaration of Human rights;
- Promote peace, security and stability on the Continent;
- Promote democratic principles and institutions, popular participation and good governance;
- Promote and protect human and peoples' rights in accordance with the African Charter on Human and Peoples' Rights and other relevant human rights instruments;
- Establish the necessary conditions that enable the Continent to play its rightful role in the global economy and in international negotiations;
- Promote sustainable development at the economic, social and cultural levels as well as the integration of African economies;
- Promote cooperation in all fields of human activity to raise the living standards of African peoples;
- Coordinate and harmonise policies between the existing and future Regional Economic Communities for the gradual attainment of the objectives of the Union;
- Advance the development of the Continent by promoting research in all fields, in particular, in science and technology;
- Work with relevant international partners in the eradication of preventable diseases and the promotion of good health on the Continent.





#### **Department of Economic Affairs,** African Union Commission

African Union Commission Roosevelt Street, W21, K19 Po. Box: 3243 Addis Ababa, Ethiopia

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