North Africa's Trade Arrangements: Complementarities and Contradictions with the Continental Free Trade Area

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June 2017

Contents

List of Abbreviations

AA	Agadir Agreement
AfDB	African Development Bank
AMU	Arab Maghreb Union (French Acronym UMA)
ASEAN	Association of Southeast Asian Nations
CEN-SAD	Community of Sahel-Saharan States
CFTA	Continental Free Trade Area
COMESA	Common Market for Eastern and Southern Africa
ECOWAS	Economic Community of West African States
CSOs	Civil Society Organizations
ESCWA	Economic and Social Commission for West Asia
EMP	Euro-Mediterranean Partnership
EU	European Union
GAFTA	Greater Arab Free Trade Area
MDGs	Millennium Development Goals
MERCOSUR	Mercado Comun del Sur (Southern Common Market)
NAC	North African Countries
RECs	Regional Economic Communities
SADC	Southern African Development Community
SDGs	Sustainable Development Goals
SMC	Southern Mediterranean Countries
UNCTAD	United Nations Conference on Trade and Development
UNECA	United Nations Economic Commission for Africa
WAEMU	West African Economic and Monetary Union (French Acronym UEMOA)

This paper examines the relationships between North Africa's trade arrangements and Africa's Continental Free Trade Area (CFTA) project. It focuses on the Maghreb region (Algeria, Libya, Mauritania, Morocco and Tunisia) and highlights the benefits and challenges likely to result from the integration of this region in the CFTA process. The main argument is that this process will not encourage the setting up of a transformative regionalism, which is essential if Africa is to meet the challenges of economic transformation, poverty alleviation, gender equality, and sustainable development it faces.

1. A challenging socio-political context

The region of North Africa – especially the countries of the Maghreb (Algeria, Libya, Mauritania, Morocco and Tunisia) – has been confronted with prolonged political uncertainty following the Arab Uprisings in 2011. While this political turmoil resulted in the overthrow of Arab authoritarian regimes, it has not fulfilled the demands of the Arab youth who had led the revolts. So far we have seen a context marked with political uncertainty, violence and persistent interstate struggles. While Libya has been caught up in an endless civil war, Tunisia has been struggling to establish a nascent democracy amid terrorist attacks. Morocco and Algeria have been entangled in a long-lasting dispute over the Sahara. In addition, the Algeria-Morocco border has been closed since 1994, causing ample damage to economic and human relations between the two strongest countries of the Maghreb.

This political instability is exacerbated by the disempowerment and frustrations of the population – two-thirds of which are young people. Furthermore, the Maghrebi countries face similar environmental issues: desertification, water scarcity, degradation of land, forest and pastureland, pressures on the marine environment, climate change, and industrial, urban and agricultural pollution. This inauspicious context is hindering the prospects of regional integration and development of the Maghreb, as indicated by the state of chronic lethargy that characterizes the Arab Maghreb Union. This is paradoxical, as the countries of the sub-region need to pull their resources and capacities together and coordinate their efforts to enable them to meet these urgent challenges.

a. Landscape of existing trade arrangements

Maghreb countries participate in a variety of overlapping bilateral and regional trade agreements with (i) each other (Arab Maghreb Union, Greater Arab Free Trade Area, and the Agadir Agreement); (ii) Europe (Euro-Mediterranean Partnership); (iii) African states (Community of Sahel-Saharan States, COMESA); (iv) the United States (Free Trade Agreements); and (v) Turkey. This paper focuses on regional trade agreements, outlined as follows.

(i) Arab Maghreb Union

Maghreb countries constitute, with Egypt, one of the eight recognized Regional Economic Communities (RECs) under the African Union. Aiming to strengthen economic cooperation and achieve regional economic integration, the Arab Maghreb Union (AMU) was established in 1989. Despite nearly thirty years of existence, AMU has a very poor track record: the level of intra-regional trade in the Maghreb is a mere 3%, which is the lowest of any region in the world and well below that achieved by other regional communities in Africa (9.2% for ECOWAS, 11.2% for SADC) and globally (15.0% for WAEMU, 19% for MERCOSUR, 21% for ASEAN and 65% for the European Union). The economic cost of this lack of integration has been calculated at around 2 to 3 percent of GDP (Direction des Etudes et des Prévisions Financières, 2008). Furthermore, various decisions and agreements have not been implemented and no summit of the heads of state – the AMU's main decision-making body – has been held since 1994.

(ii) Trade arrangements between the EU and Maghreb countries

Launched in Barcelona in 1995, the Euro-Med Partnership (EMP) aims at establishing a vast Free Trade Area between the European Union and nine Southern Mediterranean countries (SMCs), originally by the year 2010. Algeria, Morocco and Tunisia have all joined this initiative. The Barcelona process is built on two pillars: a bilateral pillar, whereby each country has an association agreement (AA) with the European Union; and a regional pillar to promote strategic cooperation while emphasizing national complementarities.

Since its launch, the EMP has resulted in liberalizing manufacturing trade between EU and Maghreb countries, while exchanges of agricultural products are regulated by the EU's Common Agricultural Policy, which provides protection to European farmers from external competition. While the liberalization of services and investment is among the key objectives for the EMP, negotiations have not yet been carried out. The EMP agreements have so far mostly benefited the EU, without contributing positively to the increase of SMCs' exports to Europeans countries. Furthermore, Maghrebi countries were confined under this agreement to the exports of labor-intensive and low-skilled products, and/or to using a significant portion of imported inputs (textiles, leather products, fertilizers, and electrical equipment) (Ciéslik and Hagemejer, 2009).

(iii) Greater Arab Free Trade Area (GAFTA)

Aiming at establishing a free trade area between Arab countries by 2008, GAFTA was agreed upon by 17 of the 22 members of the Arab League, including Libya, Morocco, and Tunisia. The agreement covers trade in goods only; services and investment are excluded. Little

progress has been registered towards the set up of GAFTA, mainly because of strict rules of origin and the non-inclusion of sanitary and phytosanitary standards (SPSs) and technical barriers to trade. In addition, GAFTA suffers from the absence of dispute settlement mechanisms.

(iv) Agadir Agreement

Signed in 2004 and entered into in force in 2007, the Agadir Agreement involves Morocco, Tunisia, Egypt, and Jordan. This agreement builds on existing regional (EMP and GAFTA) and bilateral initiatives. This agreement did not bring the expected results of better preferential access to the EU, due to the sharing of accumulated production values among its members (UNECA, 2013). While the cumulation provision of the Pan-Euro med 'rules of origin' (a system made up of a network of Free Trade Agreements that provides for identical rules of origin allowing for diagonal cumulation) was expected to boost intraregional flows of manufacturing goods, its outcomes turned out to be very modest – only a mere 440 billion US dollars in 2013, compared to an estimated trade potential of 234 billion US dollars (The Economist, 2015). Various factors are behind this disappointing performance such as the aftermath of the Arab Spring on Egyptian and Tunisian economies, the Eurozone crisis as well as the persistence of non-trade barriers and restrictive practices among the members of the AA.

(v) Community of Sahel-Saharan States (CEN-SAD)

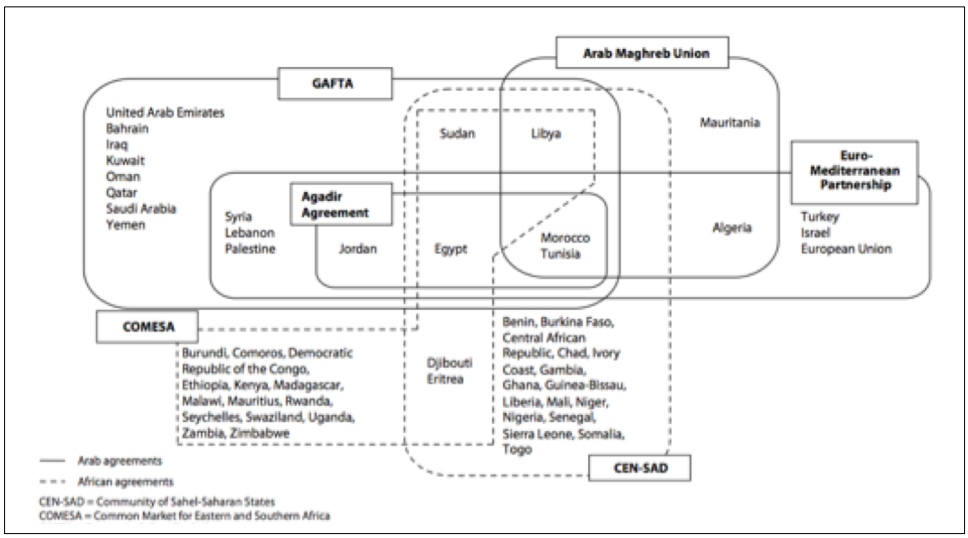
Established in 1998, CEN-SAD includes Libya, Morocco, and Tunisia among 20 other African countries in the northern half of the continent. While essentially focusing on resolving political and security issues, this organization covers also investment in the agricultural, industrial, social, cultural and energy fields. However, as in the above-mentioned initiatives, the track record of CEN-SAD has been limited so far.

(vi) COMESA

Nineteen countries are members of the Common Market for Eastern and Southern Africa (COMESA), of which only Libya from the Maghreb participates. While free trade was achieved between a subset of nine COMESA countries in agricultural and mineral products, Libya is not one of the nine.

Table 1 indicates the overlapping memberships of North African countries in the regional trade arrangements outlined above (Hufbauer and Brunel, 2008).

Table 1.



which explains the tendency of Maghreb governments to focus on their relations with the EU at the expense of efforts towards regional integration. Besides confining Maghrebi economies to low-skilled and labor-intensive activities, this polarization in the direction of the EU has resulted in promoting similarities in production and export structures among Maghrebi countries, thereby undermining economic complementarities deemed necessary for a healthy and thriving regional integration.

b. Challenges to regional integration in the Maghreb

As mentioned above, the Maghreb region has been facing political instability since 2011. The damages have been huge in the Libyan case with massive bombings and destruction in infrastructure (bridges, roads, hospitals, shops, and administrative buildings) negatively impacting regional trade and cooperation. The longstanding closing of the Algerian-Moroccan border has split the region into two separate parts. Further, the lack of implementation of existing agreements generates doubts per the States' level of commitment and willingness to achieve the integration project in the Maghreb.

Another challenge is the tendency of Maghrebi governments to prioritize vertical relations with European Union above efforts towards regional integration. The intensity of interregional flows indicates that the EU is the partner with the most relative influence on economic activities of the

This Eurocentrism in trade relations is compounded by the overlapping and fragmented trade arrangements to which Maghrebi countries are party (sometimes called 'the spaghetti bowl effect'). Maghrebi countries have tended to retain membership to multiple regional groupings as well as various bilateral trade arrangements. This overlapping has resulted in dilution of human and technical resources, high administrative costs, and inconsistencies between integration agendas. For instance, complex rules of origin are an obstacle to properly implementing the overlapping regional trade agreements that Morocco has signed, due to contradicting and therefore inapplicable rules and institutional problems associated with these rules. As a matter of fact, it

appears that the rules of origin provided for under GAFTA may prevent Morocco from reaping the full benefit of its participation in the Euromed process (Achy and Sekkat, 2005).

Finally, the dismal track record of regional integration in the Maghreb epitomizes the limits of the linear model of economic integration. This model considers the European integration process – which involves a progressive move from a free trade area to a customs union, common market, monetary union and political union different stages – as universally applicable. According to the proponents of this theory of integration, trade reform-centered regionalism (for instance via the elimination of tariffs and non-tariff barriers) should help developing countries minimize the "smallness" problem they face and benefit from scale-economies.

This theory of regional integration presents serious shortcomings, raising questions regarding its applicability and relevance in the Maghreb region and Africa in general. Firstly, while this approach makes sense for developed countries given their diversified productive capacities, it does not work for Maghrebi countries, which have weak productive capacities and lack of tradable products in both manufacturing and services. Secondly, market integration theory does not take into consideration structural inadequacies in transport, services, banking and labor skills amongst participating players. These constitute a major impediment to market-led regional integration in the Maghreb.

2. The Maghreb region and the Continental Free Trade Area: Potential impact

The accession of the Maghrebi countries to the CFTA – ostensibly through the AMU as a first step towards regional integration - is expected to generate some economic opportunities for the sub-region. Various challenges and contradictions, however, may prevent this process from benefiting all sectors of the population. Moreover, the focus on market integration mechanisms is not consistent with the requirements of structural transformation – an essential prerequisite for genuine and meaningful development.

a. The neoliberal rationale of the CFTA

Designed as a flagship project of the African Union's Agenda 2063, the Continental Free Trade Area aims at boosting intra-African trade to achieve sustained economic growth, create jobs and alleviate poverty. Deemed important for Africa's economic development, the CFTA should be operationalized by the indicative date of 2017, according to the AU. Its implementation is expected to be sequential, concentrating on the liberalization of trade in goods and services first, followed by the harmonizing of intellectual property rights, competition and investment protection in a second phase. More precisely, the main objective of the CFTA is to lead to the

elimination of tariff and non-tariff barriers to intra-African trade in goods and services, as a stepping stone to an African customs union and, later, a fully-fledged African economic community (UNCTAD, 2016). The CFTA is accompanied by an Action Plan, which identifies priority action clusters as follows: trade policy, trade facilitation, production capacity (creation of regional/continental value chains), trade-related infrastructure, trade finance, trade information, and factor market integration (African Union, n.d.).

Drawing on successful integration experiences, especially the case of the European Union praised as a model to replicate, the CFTA is expected to lead to further growth in intra-African trade and to a favorable forecast for Africa's foreign investment attractiveness, as a result of scale economies induced by a more integrated and growing regional market, enhanced competition, increased diversification and regional specialization in production (Ibid). For example, it has been estimated that the removal of tariffs could raise the share of intra-African trade in total African trade from about 10.2 percent to 15.5 percent from 2010-2022. With enhanced trade facilitation measures, the gains could double to reach 21.9 percent (UNCTAD, 2015).

It follows that the CFTA will be built according to a market-led regional approach, in line with the modalities guiding the institution of the regional economic communities (RECs) over the last decades. As Osakwe explains, "It is still the case that productive capacity development issues have not received as much attention as trade and factor market liberalization in the discourse on integration on the continent" (2015). This conclusion garners skepticism about the effectiveness of the CFTA in dealing with the major challenges of Africa's development and social progress, which is contingent upon structural transformation and the prioritization of productive capacities and infrastructure building.

b. Opportunities for the Maghreb region

The CFTA is based on the assumption that it will benefit all African countries. As a matter of fact, few studies have supported this assertion, except for those that have tried to quantitatively assess (via computer modeling) the likely impact of the CFTA on intra-African trade flows and loss of public revenues.

According to Mevel, de Alba and Oulmane (2016), if all tariff barriers on goods within the African continent are removed by 2017, North African countries (NACs) may be able to take advantage of the continent's rapid urbanization and demographic evolution to initiate their reindustrialization. As intra-African trade is predicted to expand by nearly 70 billion US dollars in 2020, North African exporters would receive as much as 20% of this gain. 53% of this expansion would be attributable to an increase in intra-North African trade alone and the rest to

increased exports by NACs to the rest of Africa. While industrial products would see the biggest increases through intra-African trade, the positive impact of the CFTA and trade facilitation reforms of North Africa's industrialization would be much more pronounced (with about 68.8% and 69.7% of the increase in intra-African trade concentrated in industrial sectors alone following implementation of the CFTA without and with trade-facilitation reforms, respectively).

This scenario is contingent, however, upon a huge improvement in infrastructure (particularly energy and transport) and the removal of all non-tariff barriers (Osakwe, op. cit.). In addition, UNECA's calculations are based on data available for only 16 of the 55 African States, the other States being aggregated and calculated with tariffs at 2004 levels. Furthermore, other unrealistic assumptions of modelling are retained such as total liberalization over five years (2017-22), including of sensitive agricultural products, full employment of production factors, including labor, one single consumer per country-region (Berthelot, 2016). Therefore, it is likely that gains are to be more modest than projected.

c. Challenges and contradictions

The first challenge of the integration of the Maghreb region in the CFTA process relates to its distributive effects. According to UNCTAD (op. cit.) trade growth and welfare benefits from the CFTA would likely accrue unevenly, with a larger portion captured by a few countries with stronger supply capacity and competitiveness. This is reinforced by the fact that presently seven African countries account for about 60 percent of total intra-merchandise exports while the majority account for the remaining 40 percent. In addition, many African countries would be badly affected by the huge fall in tariff revenues: 'almost half of African countries/regions considered in the study would be worst off in terms of real income after the formation of free trade areas' (Mevel and Karingi, 2012, in Berthelot J, op. cit.).

As for the losers, there are almost no studies on the distributive implications of the CFTA within countries. While one might expect that big corporations and agribusiness exporters as well as consumers would be among the winners of trade gains, the losers seem mainly small and medium farmers, workers and women. The only study available (Gathii, 2016) identifies three potential risks that might result from substantial trade liberalization following the implementation of the CFTA.

The first potential risk is that since agriculture is not explicitly addressed in the negotiations as a standalone agreement, it is likely that the CFTA will fail to meet food and livelihood security goals. This means that liberalization of agriculture may result in adverse impacts on the ability of poor households and small-scale farmers to grow food for subsistence.

The second potential risk is that commitments in the CFTA may undermine or eliminate existing decent work and quality jobs and/or fail to produce good quality and secure jobs that can provide adequate incomes and social protection. The third potential this study highlights are the adverse effects that may result from the CFTA's failure to deal with the insecurities that restrict small traders and temporary migrant workers who engage in cross-borders informal services.

In addition, relations between the Maghreb region and the CFTA may be challenged by the conflicting disciplines and benefits of the different Regional Economic Communities (RECs) already in place. Most African countries are parties to more than one REC and convergence between different RECs, including North Africa's REC, as agreed upon in the Minimum Integration Programme (African Union Commission, 2010, p.11) should be made compatible with the goals and timelines set for the CFTA. To prevent the REC issue from undermining the CFTA, the AU should frame an explicit roadmap for how its member countries will take on CFTA commitments overlapping and/or replacing existing trade arrangements within the RECs.

Moving decidedly towards the CFTA would also require harmonizing the multitude and varied trade commitments undertaken by practically all African countries at the multilateral (World Trade Organization), regional (Economic Partnership Agreements with the EU) and bilateral levels. Furthermore, without strengthening productive capacities, the CFTA will simply open up RECs as gateways for foreign products and platforms for multinationals outside Africa to consolidate their power over the continent. This is particularly the case of the Maghreb region, which is strongly concentrated on the EU. Morocco, for instance, aspires to assume a hub position if it were to enter into one or more multilateral free trade agreements with Sub-Saharan African countries (AfDB, 2016).

Finally, it is worth mentioning that no REC has adopted a gender policy that would provide a framework within which to address gender issues. This means that the CFTA, as it is implemented through the RECs, is likely to be gender-blind, and thereby uphold the status quo or worsen labor, trade, and economic relations between men and women.

Overall, while the accession of Maghrebi countries to the CFTA might result in an increase of intra-African trade, the agreement's neoliberal rationale, focus on market integration mechanisms, and its flaws and contradictions are not consistent with a transformative agenda capable of triggering structural transformation, economic growth and poverty alleviation, for the continent or for the Maghreb.

3. Towards transformative regionalism and structural transformation

Sustainable development, employment, gender equality and poverty reduction are prerequisites if Africa is to live up to its ambition as an emergent continent in the 21th century. Yet, it is worth mentioning that development is "a process of transformation of a country's productive structures and capabilities (health and education in particular), and with the accompanying social changes (institutions, gender.)" (Chang H.J., 2011). From this perspective, the track record of market-based regional integration is limited. Not only has it not resulted in an increase in intraregional trade flows, it has also reinforced specialization according to static comparative advantage while development requires diversification and transformation of productive structures and strengthening of capabilities. Furthermore, its neoliberal rationale has contributed to the exacerbation of joblessness and preexisting inequities and inequalities, and precarious and degraded livelihoods (Third World Network-Africa, 2016).

The failure of the neoliberal approach to regional integration to promote development and poverty eradication in Africa calls for a shift in paradigm, in favor of an alternative regional project that encourages structural transformation, solidarity and cooperation among African countries.

Achieving sustainable development requires structural transformation, that is, the reallocation of economic activities from low productivity and added value sectors to higher productivity industrial and modern services sectors. This productive shift will result in economic diversification, accelerate economic growth, allow higher wages to be distributed, contribute to job creation and gender equality, and alleviate poverty. In this regard, a transformative regionalism is one that contributes to industrialization and structural transformation and promotes a 'post-neoliberal regional integration' (Briceno-Ruiz and Hoffman, 2015).

In return, building productive capacities and infrastructure will make regional integration successful, thanks to diversification of production structures. For instance, regional cooperation in infrastructure, finance, and peace and security can stimulate the development of supply capacities in an economy. When coupled with a concerted effort towards collective industrialization – based in part on regional and sustainable transformation of natural resources and an active role of democratic and developmental states – it can induce structural transformation.

Transformative regionalism should constitute a continental alternative – with sub-regional poles – to neoliberal globalization. In this sense, transformative regionalism can function as a "basic building block for the construction of a polycentric world characterized by equitable

development among its constituent regions and by respect for cultural diversity" (Amin, 2002). It should be based on cooperation and solidarity.

Within this process of regional integration, the need to develop a social agenda is of paramount importance. This should include 'the incorporation of social distribution mechanisms, regional social and labor regulation, regional sector policies concerning health and education, among others, promoted by a more active and sensitized state regarding social issues' (Riggirozzi and Tussie (eds.), 2012).

Democratic and popular participation in decision-making process and an active role for non-state actors – especially civil society organizations, grassroots communities and social movements – is key. This is especially true in promoting gender equality, which might be put at risk by the neoliberal rationale of the CFTA. Putting gender equity and equality at the heart of transformative regionalism requires thinking of women's rights as political rights. These political rights are attainable by fulfilling a range of social rights, including through gender-equitable access to social services, employment and decent work, and social protection.

a. Transformative regionalism in the Maghreb region

To contribute to transformative regionalism in Africa, the Maghreb countries must firstly depart from the European linear model of integration that underpins the Arab Maghreb Union. Secondly, a political solution to the conflict between Algeria and Morocco over the Sahara should be worked out within the African Union to unleash the developmental potential of the region to the benefit of its peoples. Thirdly, industrial development initiatives with proper implementation and monitoring mechanisms should be set up in the Maghreb and North Africa's REC to achieve transformative objectives. In this regard, selective industrial policy to ensure that investment is geared towards strategic sectors is key to economic transformation.

Finally, successful regional integration in the Maghreb requires a full democratization of decision-making processes in terms of social and gender issues. Maghrebi civil society can contribute to building the Maghreb through networking to bring peoples of the region closer and putting pressure on governments to revive the Arab Maghreb Union through a transformative approach.

4. Advancing heterodox policies in various regional fora, including the CFTA

To advocate heterodox policies, several venues can be targeted. Firstly, the United Nations Economic Commission for Africa (Rabat Office) is currently conducting studies on strategies and mechanisms to connect North Africa's REC to the CFTA. Secondly, it is possible to engage with

the AMU's Secretariat in Rabat, even though this intergovernmental organization is currently put on hold due to inter-states political disputes. Thirdly, Maghrebi civil society organizations might take part in the annual monitoring of 2030 Agenda held by the Economic and Social Commission for West Asia (ESCWA). Finally, events set up around the CFTA's negotiations such as the Africa Trade Forum, the biannual reviews, and the African Business Council offer the opportunity to interact with officials, policy-makers and economic actors.

To that end, various activities can be organized: side events, media outreach, awareness and capacity building, CSOs networking and lobbying, to play an active role in determining negotiation mandates, regular monitoring of progress, and sharing perspectives and heterodox and feminist proposals.

5. Possible implications for heterodox policies of the 2030 Agenda and its SDGs, particularly goals 8, 10, and 17

The 2030 Agenda for Sustainable Development, adopted by the member states of the United Nations in 2015, rightly stresses the need to consider the three pillars of sustainable development: economic, social and environmental. The Maghreb region, alongside other regions, suffers from problems of poverty, poor health, vulnerability of economies to shocks and weather conditions, and substantial environmental degradation, i.e., the kind of issues that the 2030 Agenda is set to tackle.

In this respect, the CFTA is expected to act as an enabler, in line with the inclusion of trade in the 2030 Agenda as a means of implementation, outlined in Sustainable Development Goal 17. According to UNECA's experts, African regional integration will substantially boost "inclusive development on the continent, by supporting the continent's economic transformation towards sectors that add more value to goods, rather than simply growing or extracting commodities" (Luke, 2015). More specifically, "the CFTA will provide African economic operators and firms with better access terms vis-à-vis exporters from outside the continent in supplying Africa's demand for value-added goods and services, meaning that their market share within Africa will expand". An African CFTA that includes services would contribute to the achievement of some SDGs such as SDG 3 on health, through better access to higher-quality health services; SDG 4.3 on access to technical, vocational and tertiary education; and SDGs relating to infrastructure – "since access to better quality and more affordable construction services can also be expected through the CFTA and boosting intra-African trade initiative, leading to a reduction in infrastructure costs" (Ibid). The CFTA should also facilitate mobilization of financial resources as well as cross-border investments within Africa. This optimistic perspective from UNECA's experts

should be qualified owing to the limitations and shortcomings raised above in Section 2.

For the North African region, the contextualization of SDGs has led the UNECA to prioritize 4 main goals, 36 targets and 54 indicators (Mohamed Salek, 2013). The 4 goals are as follows: Reducing poverty, marginalization and social inclusion of vulnerable population; Ensuring universal access to basic services; Operating a structural transformation of economies and achieving a green and inclusive growth; and Building a sustainable peace on a transparent basis. Regional integration is expected to boost economic growth and contribute to the sustainable management of natural resources.

While SDGs might improve the prospects of economic growth in Africa, especially through the CFTA, the 2030 Agenda does not address the structural factors that impede sustainable development and reinforce poverty and social exclusion, particularly power imbalances within countries (based on gender/race, class, geography) and among them (between "developed" and "developing" countries, the predominance of transnational corporations and inter-governmental institutions – particularly those dealing with trade and finance – and technocratic elites). Oblivious of power relations, the Agenda 'fails to confront the current state of society and the state, and to deliver commensurate transformative ideas' (Koehler, 2016).

Given the aforementioned limitations of both the CFTA and the SDGs, the combination of the two is unlikely to contribute to the structural transformation of the Maghreb in economy and society, which is badly needed if the Maghreb is to achieve real and meaningful socioeconomic development, social justice, gender equality and sustainability. Besides, important challenges may impede a serious and proper implementation of the 2030 Agenda (see for example, Saadi 2016).

Firstly, the Maghrebi countries are still committed to carrying out neoliberal policies that have demonstrated their limitations in the past (privatization of public services such as education and health for example, a persistent blind faith in the private sector, austerity and public spending cuts, etc.). Secondly, issues such as democratic governance, fighting corruption and inequalities, and decent employment do not feature high in the political agenda of Maghrebi countries, despite recurrent rhetoric about good governance and transparency. Thirdly, the failure to mobilize sufficient domestic resources, especially domestic ones, might also impede the implementation of the 2030 Agenda if it is not more seriously taken into account.

Finally, the potential contribution of regional economic integration to the SDGs might not materialize unless geopolitical issues and interstate disputes are tackled in a serious and effective manner.

On the operational level, growth in GDP is positioned as the main determinant of poverty reduction and general progress of development both in the 2030 Agenda and the CFTA. Through this approach, these initiatives do not call into question the neoliberal economic paradigm focused on growth, profitability and competitiveness. The fact is that economic growth does not necessarily result in full employment and decent jobs and structural transformation. Empirical evidence shows that economic growth can be jobless, and many countries have growth without structural transformation of the economy. Further, growth has led in other circumstances to an increase in informality and work precariousness (lack of social protection, failure to respect workers' rights). This focus also ignores the reality that setting a global goal per capita economic growth of at least 7 percent in developing countries will be very damaging to the planet's ecosystems.

a. Sustainable Development Goal 10: Reduce inequality within and among countries

The adoption of a standalone goal on inequality within and between countries (Goal 10) constitutes a clear departure from the MDGs, which simply ignored this pressing issue. In contrast, the CFTA does not address it at all. The issues within Goal 10 range from wealth and income inequalities to regulating global financial markets and the question of power imbalances in global governance. Goal 10 commits to the social, economic, and political inclusion and empowerment of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, or economic or other status. It also seeks to ensure equitable treatment for all. While targeting inequalities as a specific goal of the 2030 Agenda is an important step towards a more just and equitable world, its achievement is unlikely unless the profit-driven economic rationale is put to question. As Donald (2016) put it, 'success will require significant redistribution of wealth, resources, opportunities and power, which in turn means robustly addressing the financial and political privileges of wealthy elites and transnational corporations…This kind of redistributive actions, while profoundly necessary from the point of view of human rights, are needless to say politically unpalatable for many governments'.

b. Sustainable Development Goal 17: Strengthen the means of implementation (MoI)

Goal 17 of the 2030 Agenda is focused on implementing the policies through which many of the other goals are to be realized. Among the MoI we find issues of finance, trade, technology and information, data, and global partnership. Among these means of implementation, however, are several flaws and caveats that risk seriously undermining the "transformational" potential of the 2030 Agenda.

Goal 17 includes the implementation of free trade law and has an explicit focus on the WTO. This commitment will result in the commodification of vital public services such as water, health, education, via the General Agreement on Trade and Services (GATS) (Weber, 2017). Goal 17 emphasizes the need to create a rule-based multilateral trading system, and developing countries in particular are advised to "significantly increase" their exports. Such advice overlooks the fact that these countries have been penalized by such orientation as they have incurred a deterioration in the prices they have obtained for their manufactured products. In many cases, the result has been more gender inequality (women's low wages, lack of social protection, bad working conditions).

Within the MoI, the financing sub-goal does not address the issue of macroeconomic policy to address employment concerns and public investment in social services. The fact is that many countries are currently following orthodox economic policies and pursuing adjustment policies that limit fiscal space. In addition, the overreliance on the private sector to deliver public services might undermine "the state's ability to protect, respect and fulfill human rights" as this strategy not only "does involve higher costs than direct public procurement, privatizes gains while socializing risks, it changes the nature of public services and profoundly alters governance relations" (Prato, 2016).

6. Recommendations

Based on the analysis included here, the following steps are recommended.

(i) Overcoming the civil war in Libya and settling the historical conflict between Algeria and Morocco are a prerequisite to reinvigorate the Maghreb region and the North African REC and make it a key building block for productive pan-African integration. Of special interest is the reopening of the Algerian-Moroccan borders. Pressure from civil society and social movements might help overcome political resistance from governments.

(ii) Alternative models of development that contest the neoliberal orthodoxy should be adopted. These should focus on structural transformation driven by "conscious and purposive public policy choices" (Third World Network-Africa, op. cit) and led by a democratic and developmental state. Gender equality and equity and environmental sustainability must be top priorities. Implementing these alternative models of development is contingent upon regaining policy space, which requires the revision of international, regional and bilateral agreements, especially Euro-Mediterranean commitments (in this case of the Maghreb).

(iii) For the SDGs to be achieved, it is important to make a shift so that "sustainable and just social and ecological outcomes are the

primary policy consideration rather than the capitalist economic rationale" (Koehler, 2016). In addition, by equipping SDGs with policy recommendations and "making creative connections across goals and targets" (Koehler, op. cit.), it would be possible to make room for some modest policy evolution. This is especially relevant for gender equity and equality policy.

(iv) Transformative regionalism must represent a move away from neoliberal and trade-led regionalism. The region is to be recaptured as a space for policy reformulation on social, political, and development issues that overlook the traditional drivers of neoliberal regionalism. Priority has to be given to the coordinated promotion of productive capacities – especially manufacturing and high-productivity service activities among the region or sub-region (in this case the Maghreb); strategic trade and industrial policies with regional harmonizing mechanisms should be adopted. In this regard, a step-by-step approach to trade liberalization must be co-related and contingent upon concrete achievements in areas such as industrial policy, investment, and other co-operation among the parties (Regions Refocus and Third World Network-Africa, 2016).

(v) The sequencing of trade liberalization must give priority to the concerns of workers, small and medium farmers, traders, producers, and women's groups, and be based on transparent, participatory and accountable procedures. It should also be associated with compensatory mechanisms for losses from liberalization mechanisms and longer transition periods to adjust to import competition for countries that need them.

(vi) Re-establishing and strengthening the Arab Maghreb Union – as part of the North-African REC – to serve as a key instrument of transformative regionalism. For instance, it is of utmost importance to implement provisions of the AMU treaty regarding joint ventures to produce certain goods and services, joint action to develop common resources and to improve bargaining positions.

(vii) Democratic governance and citizen participation is contingent upon a new balance of power in favor of marginalized economic and social groups and the expansion of deliberative public spaces that leads to a more informed citizenry.

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This draft policy paper builds on conversations toward a North Africa regional workshop, "North Africa's Trade Arrangements: Complementarities and Contradictions with the CFTA," which took place in Rabat, Morocco from 28-29 June, 2017. Organized by the Arab NGO Network for Development, L'Espace Associatif, Third World Network-Africa, and Regions Refocus, in collaboration with Friedrich-Ebert-Stiftung, the North Africa workshop convened approximately 30 participants representing African civil society, ministries of Trade, academia, the private sector, and regional mechanisms.

This paper will be published in September 2017 by Arab NGO Network for Development, Regions Refocus, and Friedrich-Ebert-Stiftung as part of a volume of five papers reflecting Caribbean and African perspectives on heterodox and feminist policy. The author welcomes comments on this draft in the intermission.

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