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Item 4 of the provisional agenda\*

**Assessment of progress on regional integration in Africa**

### Assessment of progress on regional integration in Africa

#### I. Introduction

1. Regional integration remains a viable route towards African development and structural transformation. In a rapidly changing global environment marked by geopolitical tensions, supply chain disruptions, mounting trade restrictions and climate shocks, deepening regional integration has become an existential imperative. Efforts at deepening integration on the continent are being made against the backdrop of mixed economic performance, with growth robust in some countries and subregions but anaemic in others.

2. In 2024, the continent's real gross domestic product growth rate was 3.2 per cent. The growth rate is projected to reach 3.9 per cent in 2025 and average 4.2 per cent over the course of 2026 and 2027. In the period 2026–2027, East Africa is expected to remain the fastest growing subregion, with an average growth rate of 5.8 per cent, followed by West Africa (5.1 per cent), Central Africa (2.8 per cent), North Africa (1.9 per cent) and Southern Africa (1.6 per cent). Fiscal conditions are projected to improve moderately, with the continental average fiscal deficit narrowing from 6.0 per cent in 2025 to 5.4 per cent in 2026.<sup>1</sup> However, high debt servicing costs and tight external financing conditions constrain the fiscal space of many African Governments and heighten their vulnerability to debt distress. In order to restore fiscal space for productive investment and essential services, debt relief and reforms of the global financial system are required. The regional average inflation rate is forecast to decline to 13.7 per cent in 2025 and 10.4 per cent in 2026, driven by easing food and oil prices, among other factors.<sup>2</sup> Nonetheless, inflationary pressures may persist in some countries, owing to commodity price volatility, exchange rate fluctuations and the reduced crop yields and increased farming costs caused by adverse weather conditions. The expiration, on 30 September 2025, of the African Growth and Opportunity Act of the United States of America has created uncertainty for many African economies, even as

\* E/ECA/COE/44/1.

<sup>1</sup> Economic Commission for Africa (ECA). *Economic Report on Africa, 2025* (forthcoming).

<sup>2</sup> African Development Bank, "Africa's macroeconomic performance and outlook: update, November 2025" (Abidjan, Côte d'Ivoire, 2025).



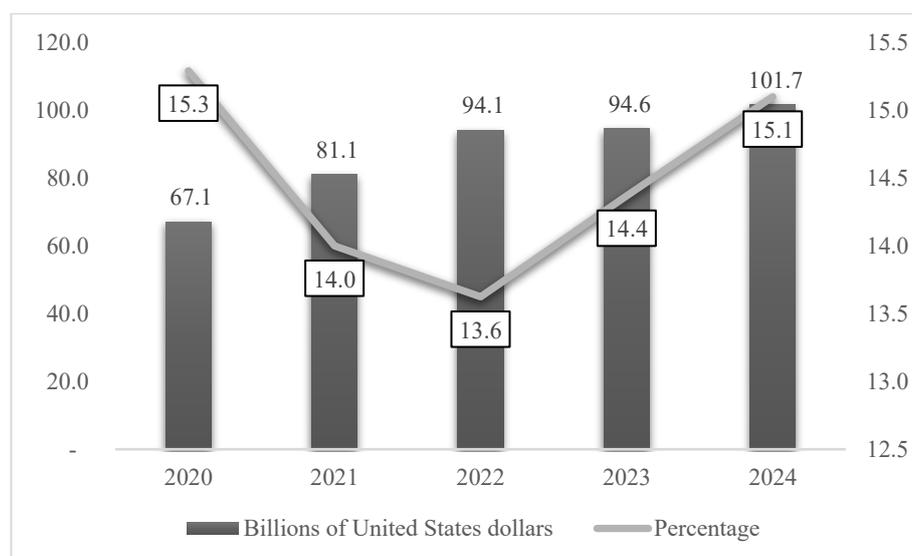
lawmakers in that country recently introduced legislation to extend the Act until 31 December 2028.<sup>3</sup>

## II. Trade integration

3. Trade integration continues to be advanced, with 49 States Parties to the Agreement Establishing the African Continental Free Trade Area having ratified it, as of July 2025. All States Parties have submitted their tariff offers, 46 of which have been verified by the African Continental Free Trade Area secretariat, and 22 such States have published their provisional schedules of tariff concessions in their official gazettes. The Assembly of Heads of State and Government of the African Union has adopted all protocols to the Agreement discussed during the first and second phases of the negotiations, as well as the Protocol on Digital Trade. The annexes to the Protocols on Intellectual Property Rights and Competition Policy are expected to be adopted in 2026. In addition, agreement has been reached upon 92.3 per cent of the rules of origin, with negotiations continuing on textiles and automobiles. Furthermore, 24 schedules of specific commitments on trade in services have been approved.<sup>4</sup>

4. Although implementation of the Agreement is under way, the projected expansion of intra-African trade has yet to be realized. As shown in the figure, intra-African merchandise trade amounted to \$101.7 billion in 2024, representing 15.1 per cent of total African trade.

### **Intra-African merchandise trade as a share (percentage) of total intra-African trade (billions of United States dollars), 2020–2024**



*Source:* ECA calculations, based on United Nations Conference on Trade and Development, “Merchandise trade matrix, annual (analytical)”, UNCTADStat database. Available at <https://unctadstat.unctad.org/datacentre/dataviewer/US.TradeMatrix> (accessed on 3 November 2025).

*Note:* Intra-African trade has been calculated as the average of intra-African exports and imports.

<sup>3</sup> United States, Congress, “H.R.6500 - AGOA Extension Act”, 30 December 2025. Available at [www.congress.gov/bill/119th-congress/house-bill/6500/text](http://www.congress.gov/bill/119th-congress/house-bill/6500/text).

<sup>4</sup> International Trade Centre, “One Trade Africa: continental brief #34, July 2025” (Geneva, 2025).

5. The services sector remains the largest component of African gross domestic product, representing 48.8 per cent of the total in 2024.<sup>5</sup> In the same year, African services exports increased to \$158.9 billion, up from \$150.3 billion in 2023. Travel services remained the predominant element of African services exports, accounting for 36.1 per cent of all services exports in 2024; the next largest element was transport services, at 24.3 per cent.<sup>6</sup>

6. As of October 2025, 50 States had developed national strategies for the implementation of the Agreement Establishing the African Continental Free Trade Area; ECA provided support for the development of 43 of the strategies. During the reporting period, ECA published the *Assessing Regional Integration in Africa* report,<sup>7</sup> in which the importance of accelerating the implementation of the Agreement and advancing to the subsequent phases of integration is underscored. Also, during the reporting period, ECA, the African Union Commission and the African Development Bank developed the African Synthesized Regional Integration Index to track progress made in that area across the continent. In addition, ECA worked with the African Continental Free Trade Area secretariat to assess the impact of United States tariff increases on African countries. Moreover, during the reporting period, the Commission analysed how these tariff increases adversely affect African landlocked developing countries, including in their ability to meet the priorities of the Awaza Programme of Action for Landlocked Developing Countries for the Decade 2024–2034. ECA is also preparing regional and country-level policy briefs about the impact of those tariffs, including on the States members of the Economic Community of West African States (ECOWAS), on Eswatini and on Lesotho. Lastly, in collaboration with the United Nations Conference on Trade and Development, ECA is conducting technical training for policymakers and stakeholders from the Southern African Development Community (SADC).

### III. Monetary and financial integration

7. A critical target included in the macroeconomic convergence criteria of the African Monetary Cooperation Programme of the Association of African Central Banks is the adoption, by December 2024, of harmonized monetary policy frameworks for each of the Association’s subregions. As of May 2025, the Subregional Committee for West Africa had adopted its framework and the committees for the Association’s Central, East, North and Southern African subregions had approved their road maps towards such frameworks.<sup>8</sup>

8. Across Africa, advancements in the development of financial and digital services are evident, in the form of cross-border payment systems. At the regional level, the Pan-African Payment and Settlement System is reducing reliance on correspondent banking arrangements, enabling real-time transactions in local currencies and lowering foreign exchange risk. As of mid-2025, the System had been expanded to 18 African countries, with Algeria as the latest member, and connected 80 commercial banks.<sup>9</sup> At the subregional level, electronic payment systems, such as the Regional Payment and Settlement System of the Common Market for Eastern and Southern Africa, are

<sup>5</sup> ECA, *Economic Report on Africa, 2025*.

<sup>6</sup> World Trade Organization, “Commercial services exports by sector and partner – annual (Million US dollar)”, WTO Stats database. Available at <https://stats.wto.org> (accessed on 3 November 2025).

<sup>7</sup> ECA, African Union and African Development Bank, *Assessing Regional Integration in Africa ARIA XI – Delivering on the African Economic Community: towards an African Continental Customs Union and African Continental Common Market* (Addis Ababa, ECA, 2025).

<sup>8</sup> Association of African Central Banks, list of decisions of the ordinary meeting of the Bureau of the Association of African Central Banks, Dakar, 20 May 2025. Available at [https://aacb.org/sites/default/files/past\\_event\\_documents/AACB%20List%20of%20Decisions\\_English.pdf](https://aacb.org/sites/default/files/past_event_documents/AACB%20List%20of%20Decisions_English.pdf).

<sup>9</sup> Pan-African Payment and Settlement System, “List of live commercial banks: version 016-08-25, latest update July 2025”, (Cairo, 2025).

enabling faster and more efficient intraregional transfers. In a similar vein, 15 Central and West African States committed themselves, in November 2025, to the achievement of interoperable payment systems and a 40 per cent reduction in the cost of cross-border digital transfers by 2028.<sup>10</sup>

9. In recognition of the role of digital technologies in sustainable development, the fourth session of the ECA Committee on Private Sector Development, Regional Integration, Trade, Infrastructure, Industry and Technology was held under the theme “Leveraging frontier technologies and innovation to advance regional integration for sustainable and inclusive growth”. During the session, which was convened in November 2025, members of the Committee requested continued support in harnessing digital technologies for development.<sup>11</sup>

## IV. Developments in the infrastructure and energy sectors

10. Infrastructure, including reliable transport, energy, digital and water systems enhances productivity, spurs industrialization and improves service delivery. ECA estimates that, to meet rising demand under the Agreement Establishing the African Continental Free Trade Area, the region will need investment of \$120.8 billion in transport equipment by 2030, including \$105.3 billion for road, \$4.2 billion for rail, \$2.4 billion for maritime and \$8.9 billion for air transport.<sup>12</sup>

### A. Road infrastructure

11. Road remains the dominant mode of transport for goods and passengers in Africa, with the continent’s total paved road network estimated at approximately 818,000 km. Nevertheless, Africa has the lowest road density in the world, averaging just 2.76 km per 100 km<sup>2</sup>, and significant disparities between countries, with Algeria, Egypt and South Africa alone accounting for nearly half of the continent’s paved roads.<sup>13</sup>

12. Under the second priority action plan of the Programme for Infrastructure Development in Africa, covering the period 2021–2030, major projects are under way. The Government of Egypt has allocated \$123.6 million<sup>14</sup> to the first phase of building the Libyan Alternate Freeway, which will connect Egypt to Chad and Libya.<sup>15</sup> The northern section of the trans-Saharan highway, linking Algeria, Mali, the Niger and Nigeria, is 85 per cent complete, with the southern section 45 per cent finished.<sup>16</sup> The project for the construction of a bridge over the Ubangui River, linking the Central African Republic and the Democratic Republic of the Congo, remains at the technical, legal and institutional structuring phase, with a formal agreement on financing expected

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<sup>10</sup> World Bank, “Regional Summit on Digital Transformation in Western and Central Africa – Cotonou Declaration”, 18 November 2025.

<sup>11</sup> See paragraph 16 (b) (ii) of the report of the Committee on its fourth session (E/ECA/CPRTIIT/4/9).

<sup>12</sup> ECA, *Economic Report on Africa, 2025*.

<sup>13</sup> Africa Finance Corporation, *State of Africa’s Infrastructure Report 2025: Mobilizing Domestic Capital* (Lagos, Nigeria, 2025).

<sup>14</sup> Intellinews, “Egypt allocates \$123.6mn for first phase of strategic Libya land connection”, 4 August 2025.

<sup>15</sup> Programme for Infrastructure Development in Africa, “Libyan Alternate Freeway”. Available at <https://au-pida.org/prospectus/project.php?id=68> (accessed on 28 October 2025).

<sup>16</sup> Programme for Infrastructure Development in Africa, “Modernisation of the RN01: (Trans-Saharan) between Ghardaia and Tamenrasset”. Available at <https://au-pida.org/prospectus/project.php?id=72> (accessed on 28 October 2025).

in 2026.<sup>17</sup> Lastly, completion of a detailed study project for the construction of a bridge over the Ntem River, linking Cameroon and Equatorial Guinea, was scheduled for late December 2025.<sup>18</sup>

13. Beyond expanding road networks, the improvement of road design and quality is essential to meet safety standards and reduce fatality levels, which remain high in many parts of the continent.<sup>19</sup> Consequently, ECA continues to support road safety initiatives. For instance, the Commission helped to organize the Third Kofi Annan Road Safety Award for Africa, held in Ezulwini, Eswatini, in April 2025, at which the progress made on the continent was highlighted, along with the need for sustained investment.<sup>20</sup>

## B. Rail transport

14. The second priority action plan of the Programme for Infrastructure Development in Africa includes six railway projects, aimed at strengthening regional connectivity and facilitating the movement of goods and people. The projects include the construction of a standard gauge railway linking Mombasa, Kenya; Nairobi; Malaba, Kenya; Malaba, Uganda; Kampala; and Kigali. It will be a public-private partnership, with 15 per cent of the budget State funded and 85 per cent being provided by private investors.<sup>21</sup> The Government of Uganda has entered the implementation phase, after securing \$800 million in financing<sup>22</sup> from the Islamic Development Bank for the 272 km Malaba to Kampala section,<sup>23</sup> which will have a total cost of \$2.7 billion.<sup>24</sup> In relation to another of the projects, the Government of the United Republic of Tanzania has completed a feasibility study and preliminary design for a 1,000 km railway, with the main line running from Mtwara to Mbamba Bay and branch lines to Liganga and Mchuchuma.<sup>25</sup>

15. Another railway-related project is being implemented in North Africa: the World Bank has committed \$350 million to strengthen the national rail company of Morocco and revitalize the country's existing railway lines.<sup>26</sup> In Southern Africa, the Governments of Botswana and Namibia have launched a feasibility study for the 1,500 km trans-Kalahari railway, linking Gaborone with Walvis Bay, Namibia, primarily to transport coal.<sup>27</sup> In addition, in September

<sup>17</sup> Programme for Infrastructure Development in Africa, "Construction of a bridge over the Oubangui River". Available at <https://au-pida.org/prospectus/project.php?id=59> (accessed on 28 October 2025).

<sup>18</sup> Programme for Infrastructure Development in Africa, "Project for the construction of the bridge over the Ntem River". Available at <https://au-pida.org/prospectus/project.php?id=69> (accessed on 28 October 2025).

<sup>19</sup> Africa Transport Policy Programme, *Africa Status Report on Road Safety, 2025* (Washington, D.C., World Bank, 2025).

<sup>20</sup> See paragraph 24 of the report on the activities of the Special Envoy of the Secretary-General for Road Safety in 2025 (ECE/TRANS/2026/21) to the Inland Transport Committee of the Economic Commission for Europe.

<sup>21</sup> Programme for Infrastructure Development in Africa, "Construction of standard gauge Railway: Mombasa-Nairobi-Malaba-Kampala-Kigali line". Available at <https://au-pida.org/prospectus/project.php?id=62> (accessed on 28 October 2025).

<sup>22</sup> Reuters, "Uganda signs \$800 million financing deal with Islamic Development Bank", *Construction Africa*, 22 May 2025.

<sup>23</sup> Programme for Infrastructure Development in Africa, "Construction of standard gauge Railway: Mombasa-Nairobi-Malaba-Kampala-Kigali line".

<sup>24</sup> Sneha Abraham, "Uganda signs US\$2.7 billion deal for Malaba-Kampala railway", *Construction Africa*, 22 October 2024.

<sup>25</sup> Programme for Infrastructure Development in Africa, "Construction of standard gauge railway from Mtwara/Mbamaba-Liganga to Mchuchuma". Available at <https://au-pida.org/prospectus/project.php?id=63> (accessed on 28 October 2025).

<sup>26</sup> World Bank, "New support for rail transformation in Greater Casablanca to boost access to jobs, services, and opportunities", 9 June 2025.

<sup>27</sup> Railways Africa, "Namibia and Botswana target March 2026 for completion of trans-Kalahari railway feasibility study", 18 October 2025.

2025, the Governments of China, the United Republic of Tanzania and Zambia signed an agreement under which a Chinese company will invest \$1.4 billion in revitalizing the rail link via which copper is exported from Zambia through the United Republic of Tanzania.<sup>28</sup> Lastly, in October 2025, the European Commission committed €50 million to strengthening agricultural value chains and associated logistics platforms along the Lobito Corridor,<sup>29</sup> an infrastructure project aimed at reducing the costs of transporting copper and other commodities from the Democratic Republic of the Congo and Zambia to the port of Lobito, Angola, for export.

### C. Air transport

16. As of February 2025, 38 States had signed the solemn commitment on the establishment of the single African air transport market, which will support regional integration, tourism and trade in services within the African Continental Free Trade Area. The African aviation sector is rebounding strongly from the disruption caused by the coronavirus disease (COVID-19) pandemic, with passenger traffic projected to grow by 15 per cent in 2025 and airlines having ordered 23 new aircraft by mid-October of that year.<sup>30</sup> At the Third Summit on Financing for Infrastructure Development in Africa, held in Luanda from 28 to 31 October 2025, the African Union Commission announced a \$30 billion investment plan to modernize African aviation.<sup>31</sup>

### D. Maritime infrastructure

17. The African port sector is undergoing a wave of privatization, as States facing fiscal constraints turn to the private sector to upgrade infrastructure and improve efficiency. The Governments of Kenya, South Africa and the United Republic of Tanzania have opened up ports to private operators.<sup>32</sup> Meanwhile, larger vessels and more frequent port calls are pushing ports to modernize cargo handling, digitalize logistics and strengthen intermodal connectivity.<sup>33</sup> The trends of privatization and port modernization serve to underscore the strategic role of ports as gateways for regional value chains and as critical enablers of the implementation of the Agreement Establishing the African Continental Free Trade Area.

18. Between June 2024 and June 2025, the Liner Shipping Connectivity Index scores of African countries increased by an average of 10 per cent, reflecting closer integration into global shipping networks. African ports benefited from vessels' attempts to avoid the threat of attack in the Red Sea, in particular ports in Mauritania, Namibia and, above all, Cameroon; in the latter country's port of Kribi, vessel capacity tripled. The adoption of port community systems is improving efficiency: in Djibouti, such a system reduced the number of manual processes from nine to five, cut clearance times by up to 5 hours and enabled online bookings within minutes, reducing terminal turnaround times

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<sup>28</sup> Tanzania-Zambia Railway Authority, "Press release: CCECC to invest USD 1.4 billion in TAZARA for revitalisation" (accessed on 18 October 2025).

<sup>29</sup> European Commission, "EU-Angola partnership advanced through major investments in the Lobito Corridor", 9 October 2025.

<sup>30</sup> Air Freight News, "IBA forecasts 15% growth in African air travel for 2025", 16 October 2025. Available at <https://airfreight.news/articles/full/iba-forecasts-15-growth-in-african-air-travel-for-2025>.

<sup>31</sup> African Union, "African Union Commissioner outlines us\$30 billion infrastructure investment plan at Luanda summit, prioritizing SAATM modernization", 29 October 2025.

<sup>32</sup> Africa Finance Corporation, *State of Africa's Infrastructure Report, 2025*.

<sup>33</sup> UNCTAD, *2024 Review of Maritime Transport: Navigating Maritime Chokepoints* (United Nations publication, 2024).

from 24 hours to just 1 hour.<sup>34</sup> Such improvements illustrate how digitalization and investment are strengthening the maritime performance of Africa.

19. In August 2025, under the second priority action plan of the Programme for Infrastructure Development in Africa, the concessionaire of the port of Beira, Mozambique, announced plans to invest \$9.9 million in the modernization and expansion of the port, which represents a critical outlet for landlocked Southern African countries.<sup>35</sup>

## E. Information and communications technology

20. As outlined in the issues paper prepared by ECA for the fourth session of the Committee on Private Sector Development, Regional Integration, Trade, Infrastructure, Industry and Technology (E/ECA/CPRTIIT/4/5), African businesses are increasingly using frontier technologies to improve transport efficiency, reduce costs and emissions, modernize smallholder agriculture, strengthen transparency and safety in mining, enhance manufacturing through digitalized inventory systems and expand financial and digital services. In 2024, however, only 38 per cent of Africans had Internet access, well below the global average of 68 per cent. The urban-rural divide remained pronounced, with 57 per cent of urban residents connected, compared with just 23 per cent of those in rural areas.<sup>36</sup> Concerning individual countries, in 2023, more than 80 per cent of the populations of Botswana, Libya, Morocco and Seychelles used the Internet, whereas usage remained below 20 per cent in Burkina Faso, Burundi, Chad, Malawi, Mozambique, Uganda and Zambia.<sup>37</sup> The gap between those groups of countries serves to highlight the digital divide and uneven pace of digital transformation across Africa and to underscore the importance of data sovereignty, as limited domestic digital infrastructure and regulatory capacity expose African countries to the risk of digital dependency.

21. Although, as of 2024, mobile broadband coverage had expanded across Africa, with 86 per cent of the population having access to at least a 3G network, 5G coverage remained limited to 11 per cent of the population.<sup>38</sup> Unaffordability continues to hinder digital inclusion: in 2023, a basic mobile data and voice package cost 4.5 per cent of the average per capita gross national income for Africa, compared to 1.3 per cent of the global average.<sup>39</sup> Such a disparity disproportionately affects low-income and rural populations and limits access to digital services, e-commerce and online learning.

22. African States continue to expand and modernize their digital infrastructure. In order to improve connectivity in Liberia, in July 2025, the Government, in partnership with the ECOWAS Commission and the World Bank, announced a second submarine cable linking the country to the rest of the world; it will also benefit the Gambia, Guinea, Guinea-Bissau and Sierra Leone.<sup>40</sup> Such initiatives on the part of regional economic communities are

<sup>34</sup> UNCTAD, *2024 Review of Maritime Transport: Staying the Course in Turbulent Waters* (United Nations Publication, 2025).

<sup>35</sup> Diário Económico, “Cornelder prevê investir quase 10 M\$ na ampliação do porto da Beira”, 3 August 2025.

<sup>36</sup> International Telecommunication Union (ITU), “Measuring digital development: facts and figures, 2024” (Geneva, 2024).

<sup>37</sup> ITU, “Individuals using the Internet”, DataHub database. Available at: <https://datahub.itu.int/data/?e=1&i=11624> (accessed on 12 January 2026).

<sup>38</sup> ITU, “Population coverage, by mobile network technology”, DataHub database. Available at: <https://datahub.itu.int/data/?i=100095&s=430> (accessed on 12 January 2026).

<sup>39</sup> ITU, “Facts and figures 2023: affordability of ICT services”. Available at [www.itu.int/itu-d/reports/statistics/2023/10/10/ff23-affordability-of-ict-services/](http://www.itu.int/itu-d/reports/statistics/2023/10/10/ff23-affordability-of-ict-services/) (accessed on 12 January 2026).

<sup>40</sup> Akim Benamara, “Liberia partners with ECOWAS and World Bank to launch second submarine cable project”, TechAfrica News, 18 July 2025.

crucial to enhancing broadband access, lowering costs and promoting more equitable participation in the digital economy.

23. In November 2025, ECA helped the Government of Kenya to hold the country's first national workshop on blockchain for trade facilitation and enhanced competitiveness. Also during the reporting period, ECA conducted case studies in Liberia and Madagascar to assess the countries' digital infrastructure and readiness for digital trade. From the studies, a clear need emerged for targeted policy reforms, regulatory enhancements and strategic investments to fortify each country's digital ecosystem and facilitate the effective implementation of the Protocol to the Agreement Establishing the African Continental Free Trade Area on Digital Trade. In November 2025, ECA delivered capacity-building for government officials and representatives of private companies – including micro-, small, and medium-sized enterprises led by women – on using digital technologies to fully capitalize on the opportunities presented by the Agreement.

## **F. Energy**

24. Access to electricity and clean cooking remains a critical development and public health challenge. In 2023, approximately 565 million people lacked electricity in sub-Saharan Africa, which was also home to around half of the 2.1 billion people worldwide without access to clean cooking.<sup>41</sup>

25. The African Development Bank continues to scale up energy investments, through such initiatives as the Sustainable Energy Fund for Africa and the Facility for Energy Inclusion, which provide catalytic financing for renewable energy, mini-grids and energy access enterprises. In July 2025, the Fund approved €6 million in concessional financing for the 18 megawatt solar power plant in Dédougou, Burkina Faso, supporting the Government's efforts to expand renewable energy generation and advance the energy transition in the country.<sup>42</sup>

26. From 2022 to 2023, having remained unchanged in the previous year, international public financing for renewable energy sources increased by 18 per cent. The financing was distributed unevenly, with 66 per cent being channelled into solar projects, 11 per cent into hydropower and the remaining 23 per cent into other renewable energy projects. The World Bank provided 59 per cent of the financing, with the Government of Germany and the European Union contributing 7 and 5 per cent, respectively. Africa remained the largest recipient of grants in the world, receiving a total of \$822 million.<sup>43</sup>

27. ECA is helping its members to expand energy access, improve efficiency and mobilize investment in related infrastructure, through integrated planning, cross-border energy trade and policy coordination.<sup>44</sup> In addition, from ECA research, it has been shown that green hydrogen represents a strategic opportunity for African States and institutions to harness the continent's renewable energy potential and diversify its industrial base.<sup>45</sup>

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<sup>41</sup> International Energy Agency and others, *Tracking SDG7: The Energy Progress Report, 2025* (Washington, D.C., World Bank, 2025).

<sup>42</sup> African Development Bank, "Desert-to-power: SEFA commits €6 million to Dédougou solar project in Burkina Faso", 28 July 2025.

<sup>43</sup> International Energy Agency and others, *Tracking SDG7*.

<sup>44</sup> ECA, "Africa leads in energy potential but trails in investment", 16 July 2025.

<sup>45</sup> ECA, *Economic Report on Africa, 2025*.

## G. Infrastructure financing

28. As of 2020, the African infrastructure financing gap remained substantial, with annual requirements estimated at between \$130 billion and \$170 billion. While African Governments contribute approximately 40 per cent of the current \$80 billion invested each year, a substantial shortfall persists.<sup>46</sup> Constrained fiscal space and the comprehensive set of solvency requirements that banks must meet, known as Basel III, continue to limit the capacity of some investors to provide long-term infrastructure finance. Closing this gap will require increased financing from multilateral development banks, including capital increases and the rechanneling of special drawing rights as hybrid capital, with a view to expanding access to affordable long-term finance and mobilizing private investment.

29. During the Third Summit on Financing for Infrastructure Development in Africa, the Alliance of African Multilateral Financial Institutions and the African Union Development Agency-New Partnership for Africa's Development launched a \$1.5 billion infrastructure financing facility for African Union development projects. The facility includes up to \$100 million in project preparation financing, since inadequate preparation remains a critical obstacle to investment readiness across the continent. The first phase will be focused on support for five priority projects, which will be followed by six additional projects, spanning the energy, transport, water and information and communications technology sectors, with a view to enhancing regional connectivity and integration.<sup>47</sup> By strengthening the enabling environment for infrastructure investment, the initiative will advance the implementation of the Agreement Establishing the African Continental Free Trade Area and support progress in the attainment of Sustainable Development Goal 9 (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation).

## V. Social integration

30. Despite growing participation, higher education programmes continue to lack alignment with labour-market needs, contributing to skills mismatches and to high rates of youth unemployment and underemployment, in particular in digital and information and communications technology fields.<sup>48</sup> To address that shortcoming, the African Union theme of 2024, "Educate an African fit for the 21st century: building resilient education systems for increased access to inclusive, lifelong, quality and relevant learning in Africa", included emphasis on such areas as foundational learning; science, technology, engineering and mathematics subjects; and higher education. It was intended to lay the foundations for reforms to better align education with labour-market demands and to advance progress in the attainment of Sustainable Development Goal 4 (Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all).

31. Financing is central to the functioning of health systems and the attainment of the related goals of the 2030 Agenda and Agenda 2063, including universal health coverage. Many African countries still fall short of meeting the target pledged under the 2001 Abuja Declaration on HIV/AIDS, Tuberculosis

<sup>46</sup> Africa-Europe Foundation and African Union Development Agency-New Partnership for Africa's Development, "The missing connection: unlocking sustainable infrastructure financing in Africa" (Brussels; Midrand, South Africa; 2025).

<sup>47</sup> African Export-Import Bank, "AAMFI and AUDA-NEPAD launch USD 1.5 billion AAMFI infrastructure financing facility", 31 October 2025.

<sup>48</sup> Hanan Morsy and Adamon Mukasa, "Youth jobs, skill and educational mismatches in Africa", Working Paper Series, No. 326 (Abidjan, Côte d'Ivoire, African Development Bank, 2019).

and Other Related Infectious Diseases, in which African Union member States committed themselves to allocating at least 15 per cent of their national budgets to health.<sup>49</sup> ECA continues to support efforts to strengthen health financing systems across Africa, through analysis, capacity-building and resource mobilization.

## VI. Migration and the free movement of people

32. Developments in visa openness across Africa that occurred in 2025 reflect a mixed picture of progress and regression, with an increase in the number of travel scenarios for which a visa is required before travel, in part reflecting a change from the issuance of visas upon arrival to electronic visa systems. As of 2025, the Government of Kenya had exempted nationals of 51 African countries from its electronic travel authorization, becoming the country with the third most open visa policy on the continent; the Gambia and Rwanda still had the most and second most open policies.<sup>50</sup> The withdrawal of Burkina Faso, Mali and the Niger from ECOWAS in January 2025 did not result in immediate restrictions on mobility, as the ECOWAS Commission agreed to continue, on an interim basis, to recognize the identity documents issued while those countries had been member States of the Community and to allow their citizens visa-free travel.<sup>51</sup>

33. Progress in the implementation of the Protocol to the Treaty Establishing the African Economic Community Relating to Free Movement of Persons, Right of Residence and Right of Establishment remains limited, with only four African Union member States – Mali, Niger, Rwanda and Sao Tome and Principe – having ratified it. Reflecting concerns over border security, migration management and legal harmonization, the slow pace of progress towards the Protocol's entry into force hampers the free movement agenda and broader continental integration. Renewed political commitment, backed by advocacy and technical support, is vital to accelerating the rate of ratification and making the Protocol a critical enabler of regional integration.

34. ECA continues to support its members through evidence-based research, policy analysis and multi-stakeholder dialogues on the Protocol, including by jointly convening a parallel session on the issue at the ninth Pan-African Forum on Migration, held in Cape Town, South Africa, in December 2025. ECA also facilitates knowledge-sharing and capacity-building to advance the ratification of the Protocol and its incorporation into domestic law, as part of broader efforts to foster regional integration and labour mobility.

35. ECA and the African Union Commission jointly produced a study on enhancing free movement of people and measures to increase labour mobility and skills portability in Ghana, Kenya and Zambia,<sup>52</sup> in which they identified such challenges as the non-comparability of education systems and the absence of proper systems for effective interpretation of qualifications. The study included a recommendation of support for African States in building the systems and capacity needed for effective recognition and equivalence of skills and qualifications across diverse fields, countries and education systems.

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<sup>49</sup> African Union, document OAU/SPS/ABUJA/3.

<sup>50</sup> African Development Bank and African Union, *Africa Visa Openness Report, 2025*, Abidjan, Côte d'Ivoire, 2025.

<sup>51</sup> Festus Aboagye, "The withdrawal of AES from ECOWAS", *Amani Africa*, 31 January 2025.

<sup>52</sup> *Enhancing Free Movement of Persons and Pathways for Labour Mobility and Skills Portability in Ghana, Kenya and Zambia* (forthcoming).

## VII. Governance, peace and security and the regional integration nexus

36. Governance, peace and security are pivotal to advancing regional integration and sustainable development in Africa. Insecurity further strains public resources, compounding existing fiscal pressures and limiting development spending.

37. In North Africa, as of October 2025, more than 11.9 million people had been forcibly displaced from the Sudan, including 4.2 million refugees, asylum-seekers and returnees, who fled primarily to Chad, Egypt and South Sudan.<sup>53</sup> The conflict in the Sudan also has other implications for the country's neighbours, in particular South Sudan: as outlined in a conference room paper (A/HRC/60/CRP.5) presented by the Commission on Human Rights in South Sudan to the Human Rights Council at its sixtieth session, the conflict caused a lengthy and economically damaging shutdown of one of the two pipelines that are used for oil exports from South Sudan and the influx of displaced populations has further strained the country's already limited resources and public services.

38. In West Africa, over half of all terrorism-related deaths worldwide in 2024 occurred in the Sahel, with Burkina Faso, Mali and the Niger among the most affected countries. Although a 21 per cent reduction in the number of terrorism-related deaths was recorded in Burkina Faso in 2024, the country still accounted for one fifth of such fatalities worldwide. In contrast, the Niger experienced a sharp reversal of earlier progress, with terrorism-related deaths rising by 94 per cent. Nigeria continued to face persistent threats from terrorist groups, despite ongoing counter-terrorism operations in West Africa.<sup>54</sup>

39. In East Africa, the African Union Support and Stabilization Mission in Somalia was launched in January 2025, as the successor to the African Union Transition Mission in Somalia. Endorsed by the Peace and Security Council of the African Union in August 2024 and authorized by the Security Council through resolution 2767 (2024), the Support and Stabilization Mission is mandated to help the Government of Somalia to degrade Al-Shabaab and affiliated groups, stabilize recovered areas and advance State-building priorities.

40. On 27 June 2025, the Governments of the Democratic Republic of the Congo and Rwanda signed a peace agreement, facilitated by the Governments of Qatar and the United States, aimed at bringing an end to the protracted conflict in the eastern Democratic Republic of the Congo. On 29 June, the SADC mission in the Democratic Republic of the Congo completed its withdrawal. In parallel, the African Union, the East African Community and SADC agreed to merge their mediation efforts into a single African-led process. Despite these diplomatic advances, as shown in the report of the Secretary-General on the implementation of the Peace, Security and Cooperation Framework for the Democratic Republic of the Congo and the Region (S/2025/615), some 5.3 million people were internally displaced in the country as of August 2025.

41. In Central Africa, between April and October 2025, following a ceasefire agreement between the Government of the Central African Republic and the two most active armed groups in the country, 11 of the 14 armed groups that

<sup>53</sup> Office of the United Nations High Commissioner for Refugees, "Sudan situation", Operational Data Portal. Available at <https://data.unhcr.org/en/situations/sudansituation> (accessed on 30 October 2025).

<sup>54</sup> Institute for Economics and Peace, *Global Terrorism Index, 2025* (Sydney, Australia, 2025).

had been opposing the Government were dissolved.<sup>55</sup> In its resolution 2800 (2025), the Security Council extended the mandate of the United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic until 15 November 2026. Elsewhere in Central Africa, Cameroon ranked as the tenth most terrorism-affected country worldwide in 2024, with 153 incidents that resulted in 205 deaths.<sup>56</sup>

42. In Southern Africa, in July 2025, the African Development Bank approved a \$17 million grant to support recovery and resilience in Cabo Delgado Province, Mozambique. The project is aimed at addressing the root causes of fragility, by promoting the economic empowerment of young people and women.<sup>57</sup>

43. The resurgence of unconstitutional changes of Government in some countries serves to underscore the importance of strengthening governance and supporting stability. As at 31 December 2025, national elections had been held in Cameroon, the Central African Republic, Côte d'Ivoire, Gabon, Guinea, Guinea-Bissau, Malawi, Seychelles and the United Republic of Tanzania. While some polls were peaceful, others were followed by post-election instability.

## VIII. Conclusions and recommendations

44. Although the continent faces numerous challenges, its economic outlook is positive. Significant strides have been made in infrastructure development, in the implementation of the Agreement Establishing the African Continental Free Trade Area and in the deepening of integration.

45. ECA will continue:

(a) To support its members and the regional economic communities in the application of national and subregional strategies for implementing the Agreement;

(b) To provide support to its members on free movement of people, labour mobility and skills portability, through stakeholder consultations and capacity-building;

(c) To support efforts to strengthen health financing systems across the continent, through evidence-based policy analysis, capacity-building and resource mobilization initiatives;

(d) To support its members in addressing debt vulnerability through evidence-based analysis, policy dialogues and advocacy on reforms of the global financial architecture, with a view to restoring fiscal space for productive investment and sustainable development.

46. Members of ECA should:

(a) Accelerate the implementation of the Agreement and its protocols to fully realize the benefits of intra-African trade and value chain integration, as a foundational step towards further deepening continental integration;

(b) Continue to adopt and finance national digital transformation road maps, in which closing connectivity gaps, strengthening digital skills and expanding interoperable digital public infrastructure are prioritized, and data

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<sup>55</sup> Briefing to the 10025th meeting of the Security Council, held on 28 October 2025, by the Special Representative of the Secretary-General for the Central African Republic and Head of the United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic, Valentine Rugwabiza; see S/PV.10025.

<sup>56</sup> Institute for Economics and Peace, *Global Terrorism Index, 2025*.

<sup>57</sup> African Development Bank, "African Development Bank approves \$17 million to rebuild conflict-affected northern Mozambique", 16 July 2025.

sovereignty is promoted through appropriate governance, regulatory frameworks and domestic data infrastructure to support digital inclusion;

(c) Advance science, technology, engineering and mathematics education and skills development, including by closing the gender gap and aligning their education policies with labour-market needs;

(d) Address peace, security and governance challenges that continue to hinder progress in regional integration.

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