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Assessment of progress on regional integration in Africa
in the context of the COVID-19 pandemic

Assessment of progress on regional integration in Africa

I. Introduction

1. Regional integration is an economic and political priority for African countries, as demonstrated by the abundance of integration programmes being adopted and implemented at continental and regional levels. Regional economic communities (RECs) are the cornerstone in the pursuit and realization of the aspiration of an economically integrated African continent. Although these communities have similar objectives, they continue to manifest differences in their structures and performances, including in the pace and level of achievement of their treaty goals and objectives. While some have made significant progress in key areas of integration, others have continued to struggle to achieve the goals set out in their treaties and conventions, and in meeting the milestones set out in the historic 1991 Treaty establishing the African Economic Community (Abuja Treaty). The Economic Commission for Africa (ECA) report on best practices in regional integration in Africa provides a full account (E/ECA/CTRCI/8/4).

2. The signing of the Agreement Establishing the African Continental Free Trade Area by 44 African countries on 21 March 2018 in Kigali, and the launch of its operational phase in July 2019 in Niamey, and the decision by African leaders to effectively commence trading by January 2021, represent momentous steps in the recent history of the integration of Africa.¹ The Agreement has the potential to accelerate progress towards the fulfilment of the aims of the Abuja Treaty.

3. The African Union officially recognizes eight RECs,² also referenced in the Agreement Establishing the African Continental Free Trade Area, as the

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** E/ECA/COE/39/1.

¹ The main objective of the tenth session of the Committee on Regional Cooperation and Integration was the examination of efforts that had been deployed towards fast-tracking the implementation of the Action Plan for Boosting Intra-Africa Trade and the Agreement Establishing the African Continental Free Trade Area. The signing of the Agreement was therefore a culmination of all those efforts.

² Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), Economic Community of Central African States (ECCAS), Economic Community of West African States



building blocks for its implementation, and for the eventual establishment of the Continental Customs Union. Although the overall performance of these communities in various dimensions of integration has generally been mixed, the factors that underpin this performance constitute useful lessons to be leveraged for the advancement of the region's integration agenda, including in the implementation of the Agreement.³

4. This report presents an assessment of progress on regional integration in Africa, with a particular focus on progress made by RECs in key dimensions of regional integration, including: macroeconomic integration; productive integration; trade integration; infrastructure integration; the free movement of people; and governance, peace and security. The Africa Regional Integration Index, together with other key indices, formed the basis of the present report.⁴ Following the introduction, the structure of the report is as follows: section II focuses on trade integration; section III on productive integration; section IV on macroeconomic integration; section V on infrastructure integration; section VI on migration and the free movement of people; section VII on COVID-19 lessons for health integration/cooperation; section VIII on governance, peace and security; and, to close, section IX offers conclusions and recommendations.

II. Trade integration

5. Trade is envisaged as the foundational area of integration in many RECs, and is included in the Minimum Integration Programme of 2009 and Agenda 2063: The Africa We Want, both of the African Union. In pursuit of the call made at the tenth session of the Committee on Regional Cooperation and Integration for ECA to continue to support efforts to fast-track the implementation of the Action Plan for Boosting Intra-African Trade and the establishment of a continental free trade area, the Commission dedicated a significant portion of its work to supporting trade integration on the continent – including providing technical support and training to member States, RECs and other relevant regional institutions – in the negotiations for the Agreement Establishing the African Continental Free Trade Area. In particular, ECA, together with other partners, such as the African Union Commission, contributed to the development of the draft text that was subsequently used as the basis for the process relating to the negotiations for the Agreement. This contributed to the successful conclusion by member States of the negotiations, resulting in the three main legal instruments underpinning the African Continental Free Trade Area (AfCFTA): the Protocol on Trade in Goods, the Protocol on Trade in Services, and the Protocol on Rules and Procedures on the Settlement of Disputes. The Commission continued to support AfCFTA negotiation processes, including on phase II issues, as well as advocacy efforts for more ratifications and implementation of the Agreement.

6. Furthermore, ECA carried out research and disseminated policy findings on the potential benefits of AfCFTA, including in the creation of employment,

(ECOWAS), Southern African Development Community (SADC), Arab Maghreb Union (AMU), Community of Sahel-Saharan States (CEN-SAD), and Intergovernmental Authority on Development (IGAD).

³ Some of the factors underpinning RECs' mixed performance are: lack of appropriate tracking and monitoring mechanisms on progress in the implementation of regional integration; inadequate financial resources; poor infrastructure networks; and limited implementation of policies and agreement relating to regional integration, among others. Enhancement of collaborative efforts by the RECs, member States, pan-African institutions and partners are needed to effectively address these challenges.

⁴ The Africa Regional Integration Index – jointly produced by ECA, the African Union Commission and the African Development Bank (AfDB) – is a multidimensional index that captures integration in the following five areas or dimensions that matter for social and economic development: trade, productive, macroeconomic, infrastructural and free movement of people. The scores closer to 0 indicate lowest performances, while scores closer to 1 indicate highest performances.

industrial linkages, economic diversification and structural transformation. The Commission's forecast has demonstrated that the Agreement Establishing the African Continental Free Trade Area is set to boost intra-African trade by more than 50 per cent and facilitate welfare gains amounting to \$16 billion. The economic benefits are estimated to be even greater if trade facilitation reforms are undertaken at the same time. These findings contributed to encouraging more member States to sign and ratify the Agreement. In addition, ECA has produced analytical work in the areas of intra-African and international trade, industrialization and regional value chains development for RECs and member States. For example, in December 2018, ECA launched the report on *The potential for the creation of Regional Value Chains in North Africa: a sector-based mapping*. These efforts have assisted the member States of RECs to mainstream diversification, industrialization and economic transformation strategies into national development plans, which promote intra-African trade as envisioned in the Action Plan for Boosting Intra-Africa Trade and Agenda 2063.

7. As of 31 December 2020, the Agreement Establishing the African Continental Free Trade Area had been ratified by 34 member States of the African Union, and 54 countries had signed. The Agreement calls for 90 per cent liberalization of tariff lines and, if successfully implemented, it will create a single African market of over 1 billion consumers with a total gross domestic product (GDP) of over \$3 trillion. The Agreement presents an opportunity for RECs to deal with issues such as low intraregional economic community trade, tariff liberalization and elimination of non-tariff barriers. It also offers the possibility for accelerated action towards all dimensions of regional integration.

8. With support from the United Nations Conference on Trade and Development, the African Union Commission, the European Union and the International Trade Centre, ECA has been working with several countries in various RECs to assist them in a demand-driven programme to develop country-specific national strategies relevant to the African Continental Free Trade Area process. Such strategies are intended to streamline the priority interests of a country, so as to fully benefit from AfCFTA, together with the RECs' current free trade areas and customs unions.⁵ Some of these countries include Cameroon, the Gambia, Ghana, Guinea, Malawi, Togo, Zambia and Zimbabwe. In addition, tools have been developed by ECA to assess and monitor the implementation of AfCFTA: namely, the Africa Regional Integration Index, which is already in use; and the African Continental Free Trade Area Country Business Index, which is a work in progress. ECA publications and publication series, such as *Assessing Regional Integration in Africa* and the *Economic Report on Africa*, and a number of other knowledge products, also assist in this regard.

9. Intra-African trade gradually increased to 16.1 per cent of total African trade in 2018 (to reach \$159.1 billion), up from 15.5 per cent in 2017.⁶ This remains very low compared with intraregional trade in other regions, such as Asia (52 per cent) and Europe (73 per cent). Overall, RECs continue to trade more with the outside world than among themselves, with the European Union taking the largest share of Africa's exports, although this trend is likely to change with Brexit. Average exports for the Arab Maghreb Union to the European Union accounted for about 63.4 per cent between 2017 and 2019, followed by CEN-SAD with 40.3 per cent. The share of China increased,

⁵ The secretariat is currently drafting a report on how to govern the interface between AfCFTA and the RECs' free trade areas and customs unions.

⁶ Africa Export–Import Bank, *African Trade Report 2019: African Trade in a Digital World* (Cairo, Afreximbank, 2019). Available at https://s3-eu-west-1.amazonaws.com/demo2.opus.ee/afrexim/African-Trade-Report_2019.pdf.

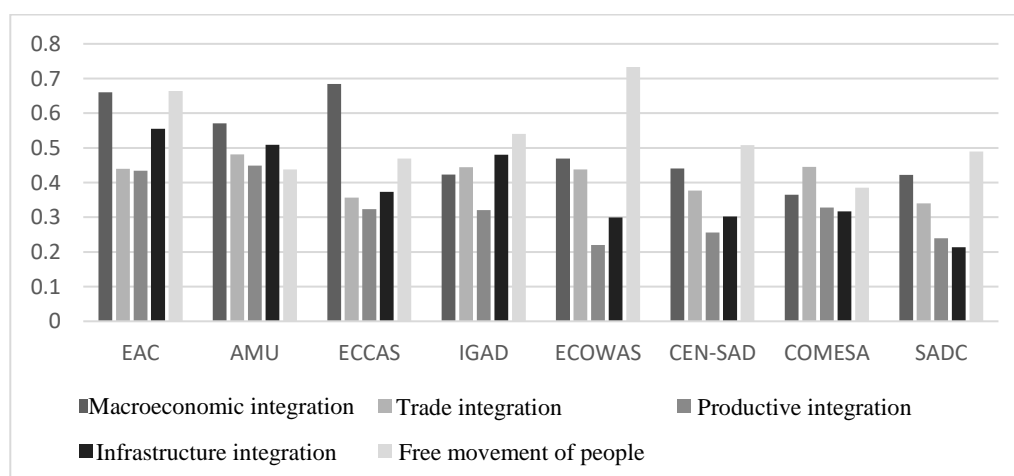
making it the greatest potential trade partner for many African countries. SADC member States traded more among themselves, which accounted for 19 per cent of total exports.

10. Intra-African imports also vary from one REC to another, although on average, all RECs are importing more from outside partners, particularly Asia and the European Union, than among themselves. SADC is the only REC which is making progress on imports among its member States, with a record of about 21.1 per cent. All RECs except EAC and IGAD are importing more from the European Union, with the Arab Maghreb Union and CEN-SAD having the largest share of 46.8 per cent and 35.8 per cent, respectively. EAC and IGAD are importing more from Asia, with records of 42.9 and 40.0 per cent, respectively.

11. The continent's share of world exports was at 2.3 per cent, while its share of world imports stood at 2.5 per cent. The factors behind this include the lack of industrialization, manufacturing and value addition, with most African countries having a commodity export dependence of more than 80 per cent, whereas the bulk of African imports are industrial products and manufactured goods. High intraregional import tariffs also persist, and a number of countries have either not established, ratified or fully implemented REC-level free trade areas, including the Tripartite Free Trade Area. Measures such as the Pan-Africa Payment and Settlement System, a continent-wide digital payment system launched by the Africa Export-Import Bank (Afreximbank) in July 2019, will boost intra-African trade through facilitating intra-African trade payments or cross-border transactions in African currencies.

12. Overall, regional blocs have achieved mixed results on the trade integration dimension (see the figure below).⁷ Many of the RECs continued to register low scores in the area of trade integration, with an average score of 0.383. The highest performing REC in terms of trade integration was AMU, with a score of 0.481, while SADC was the least trade-integrated regional bloc, with an average score of 0.340.

Performance of regional economic communities on the five dimensions of regional integration



Source: Data from the Africa Regional Integration Index (ECA, 2019).

13. The services sector plays an increasingly vital role in economic development and structural transformation, as well as complementing the manufacturing sector and contributing to job creation. In 2018, the services sector accounted

⁷ The trade integration dimension of the Africa Regional Integration Index is measured by five indicators: average intraregional import tariffs; share of intraregional exports over GDP; share of intraregional imports over GDP; share of intraregional trade; and whether the country has ratified, signed, or not signed the protocol on the Agreement Establishing the African Continental Free Trade Area.

for 61 and 51 per cent of value added to global⁸ and African (excluding North African) GDP, respectively. The implementation of services trade liberalization is a central pillar of AfCFTA. Ahead of phase II negotiations of AfCFTA, with a special focus on five key services sectors, RECs have begun services trade liberalization schemes, which include passport programmes to enable visa-free travel (such as that of ECOWAS). In December 2019, the ECCAS general secretariat and ECA convened experts to prepare the subregion's comprehensive lists of services to be tabled for unhampered trade once borders open up under AfCFTA.⁹ However, trade liberalization remains a challenge, particularly as there are different starting points. During the Assembly of Heads of State and Government of the African Union at its thirty-first ordinary session, held in Nouakchott on 7 July 2018, African Union member States that are members of the World Trade Organization determined that the negotiation starting point would be deeper than currently scheduled General Agreement on Trade in Services commitments. For non-World Trade Organization African Union member States, negotiations would begin at national-level autonomous liberalization.¹⁰ Harmonizing regulations between member States with different starting points is critical to ensure that AfCFTA is successful. While all RECs have some form of services agreements, the degree of comprehensiveness varies.¹¹

III. Productive integration

14. For five of the eight RECs, productive integration is their poorest-performing dimension of regional integration. This shows that most of the communities are lagging in terms of intraregional intermediate exports and imports, and are recording a very low merchandise trade complementarity index. This is despite the fact that very low levels of productive integration hamper effective regional integration, as productive integration is central to enhancing industrialization and trade in an intraregional economic community and intra-African context. It is also critical to integrating African economies into regional value chains and global value chains, as envisioned in Agenda 2063.

15. AMU and EAC are taking the lead in productive integration, with index scores of 0.449 and 0.434, respectively, while ECOWAS is the least integrated regional bloc in the productive integration dimension, with an index score of 0.220. Despite the low performance of the majority of RECs on productive integration, there are several initiatives being carried out to improve the situation, including some that are supported by ECA. For example, ECA is providing technical support and working collaboratively with the SADC secretariat and SADC member States to assist them in domesticating the SADC Industrialization Strategy and Roadmap (2015–2063), designed to accelerate industrialization in the region through beneficiation and value addition for socioeconomic transformation. A draft protocol on industry has been developed to promote competitive industrial bases in the region. SADC has undertaken studies to establish priority regional value chains in the agroprocessing,

⁸ World Bank DataBank, “World Development Indicators”, n.d. Available at <https://databank.worldbank.org/source/world-development-indicators>.

⁹ ECA, “ECCAS countries to prepare lists for continental trade in services under AfCFTA”, 2 December 2019. Available at www.uneca.org/archive/themes/regional-integration-and-trade?page=7.

¹⁰ Tralac, “Creating a Single African Market on Trade in Services: Negotiating the Schedules of Specific Commitments under the Protocol on Trade in Services”, 26 October 2019. Available at www.tralac.org/blog/article/14293-creating-a-single-african-market-on-trade-in-services-negotiating-the-schedules-of-specific-commitments-under-the-protocol-on-trade-in-services.html.

¹¹ UNCTAD, “Africa Continental Free Trade Area: Liberalising Trade in Services for Trade Facilitation”, 2015.

minerals and pharmaceuticals industries, so as to increase intraregional trade and integration into global value chains.

16. EAC is implementing its East African Community Industrialization Policy (2012–2032), even though the contribution of industry to GDP between 2012 and 2017 decreased for all EAC member States – with the exception of the United Republic of Tanzania, which increased from approximately 22 per cent to 26 per cent.¹² In light of the importance of energy in enabling industrialization, EAC has also prioritized the development of energy security policies to underpin its industrialization. To that end, ECA has supported the EAC secretariat and member States in the development of the EAC Energy Security Policy Framework, which is intended to provide policy guidance towards the development of the region’s energy sector. The Common Market for Eastern and Southern Africa (COMESA) has developed the COMESA industrial strategy (2017–2026) and, in June 2019, approved the Action Plan and Regional Guidelines on Local Content Policy to facilitate industrialization. Similarly, ECOWAS has put in place the West Africa Common Industrial Policy (2015–2020).

IV. Macroeconomic integration

17. Overall, in the macroeconomic integration dimension, the performance of the RECs has remained weak. The Africa Regional Integration Index finding shows that the eight communities have an average macroeconomic integration score of 0.399. This takes into account the number of bilateral investment treaties in force, the number of countries in a region that share a common currency or with convertible currencies, and the regional inflation rate differential (that is, the difference between the inflation rate of countries and the target inflation rate of the region).

18. ECCAS and EAC are the highest-performing communities in terms of macroeconomic integration, with scores of 0.684 and 0.660, respectively, on the index. The high performance of ECCAS is largely driven by the fact that 6 out of 11 ECCAS member States are members of the Central African Economic and Monetary Community – which is now at a more advanced stage of macroeconomic, monetary and financial integration, and shares a common currency (the CFA franc of Central Africa). It is one of the three monetary unions operating in Africa, the others being the West African CFA franc (covering French-speaking countries in West Africa) and the Common Monetary Area (covering all Southern African Customs Union member States, except Botswana).

19. The EAC target is to replace national currencies with a common currency by 2024, through the adopted convergence criteria and the East African Monetary Union Protocol of 2013. Although the REC has recorded some progress, meeting the 2024 target is a huge task. According to research undertaken by AfDB in 2018, the estimated average annual inflation rate was 5.28 per cent (excluding South Sudan, which had a national annual inflation rate of 104.1 per cent), against a targeted inflation ceiling of 8 per cent. The continent’s average fiscal deficit of GDP was 17 per cent (against a targeted 3 per cent of GDP fiscal deficit ceiling), and public debt-to-GDP ratio was at 50 per cent, compared with 67 per cent in 2016.

20. Other RECs are also making some strides towards macroeconomic integration. COMESA intends to form a monetary union by 2025, and has set macroeconomic and monetary convergence targets to harmonize economic indicators. In terms of financial integration, COMESA has achieved a regional

¹² East African Development Bank, “The State of Industrialization in the EAC”, 7 May 2019. Available at <https://eadb.org/the-state-of-industrialization-in-the-eac/>.

payment and settlement system, which is an electronic payment platform that facilitates cross-border payments between and among COMESA member States in a multicurrency environment. As of March 2017, nine COMESA countries were implementing the payment and settlement system.

21. In 2014, ECOWAS realigned its convergence criteria with the aim of merging the goals of both the countries of the West African Monetary Zone¹³ and the West African Economic and Monetary Union¹⁴ into a single monetary zone by 2020. ECOWAS member States have recently agreed that countries meeting the primary convergence criteria (targets on budget deficits, annual inflation and gross reserves) and secondary convergence criteria (targets on public debt-to-GDP ratio, central bank financing of budget deficits and nominal exchange rate variations) will adopt a new common currency, the “Eco”, from 2020, as was agreed to by the fifty-fifth ordinary session of the Authority of Heads of State and Government of the Economic Community of West African States (ECOWAS) on 29 June 2019. To this end, ECA is assisting the ECOWAS Presidential Task Force (created to monitor the creation of the single currency) in analytical work to assess the road map, with a view to proposing scenarios and suitable approaches to accelerate the community’s progress towards the adoption of an ECOWAS common currency.

22. With regard to CEN-SAD, 10 of its member States are party to either the West African Economic and Monetary Union or the Central African Economic and Monetary Community Monetary Union, whose West African CFA franc and Central African CFA franc have always been at parity and are effectively interchangeable. In AMU, while the aim of the region is to establish a Maghreb Economic Union, financial and macroeconomic convergence and the creation of a single currency have not been articulated in its founding treaty.

23. Prioritization of coordinated and sound fiscal and monetary policies is necessary to bring economic stability in RECs, and assist in enhancing cross-border investment and greater macroeconomic integration. To sustain the above, ECA will continue to build on current programmes, supporting macroeconomic integration in RECs.

V. Infrastructure integration

24. Africa has forgone an estimated 25 per cent of cumulative economic growth in the past two decades, due to inadequate infrastructure. According to AfDB, in 2018, the continent’s infrastructure requirement was estimated at between \$130 billion and \$170 billion annually, with a financing gap in the range of \$68 billion–\$108 billion.¹⁵ The deficit hinders regional integration in general, because infrastructure facilitates production, trade facilitation and economic linkages.

25. The Africa Regional Integration Index, which focuses on four modes of infrastructure – electricity, transportation, information and communications technology (ICT), and water and sanitation – attests to this reality. The RECs’ rating on the infrastructure integration dimension of the index utilizes the AfDB Composite Infrastructure Development Index, together with the proportion of intraregional flight connections to countries, as indicators. The overall average score of Africa on infrastructure integration is 0.220, with 31 of the 54 countries classified as “low performers”, while 11 are “average

¹³ The Gambia, Ghana, Guinea, Liberia, Nigeria and Sierra Leone.

¹⁴ Benin, Burkina Faso, Côte d’Ivoire, Mali, the Niger, Senegal and Togo.

¹⁵ African Development Bank, *African Economic Outlook 2018*, chapter 3 (Abidjan, Côte d’Ivoire, AfDB, 2020). Available at www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/2018AEO/African_Economic_Outlook_2018_-_EN_Chapter3.pdf.

performers”. Both EAC and AMU have the most integrated infrastructure, with 0.555 and 0.509 index scores, respectively; while ECOWAS and SADC have the least infrastructure integrated scores of 0.299 and 0.214, respectively. At country level, South Africa (with a 0.898 score) is on top, followed by Egypt, Seychelles and Morocco, respectively. The bottom four countries with the least integrated infrastructure comprise South Sudan, Eritrea, Somalia and Chad. More attention has been given to road infrastructure, rail transport, air transport, energy and ICTs by African countries.

A. Road infrastructure

26. African leaders are pursuing key regional and continental infrastructure initiatives, including those under the African Union’s Programme for Infrastructure Development in Africa (PIDA) Steering Committee, which is mandated to monitor progress on infrastructure developments within the context of Agenda 2063. The top five transport infrastructure development priority projects in Africa that are now at advanced stages of preparation or ready for funding and implementation under PIDA are: Yamoussoukro Decision–Single African Air Transport Market (costing \$5 million); Abidjan–Lagos Coastal Corridor Project (\$ 290 million); North–South Multimodal Corridor Project (\$2.325 billion); Central Corridor Project (\$840 million); and the Trans-Maghreb Highway Project (\$ 75 million).¹⁶

B. Rail transport

27. A Pan-African continental high-speed rail, which is one of the flagship projects of Agenda 2063, is aimed at physically and economically connecting African capital cities, megacities, commercial hubs, economic zones and tourist destinations. In December 2018, the African Union Development Agency engaged a consultant to conduct a detailed scoping study of the continent’s Integrated High Speed Railway Network Project. An inception report and a prioritization framework have since been developed that will further guide the scoping study. At regional and national levels, several national rail developments, and upgrading and expansion projects, are being initiated and implemented in countries such as Egypt (Luxor–Cairo and Luxor–Hurghada High-Speed Railway Projects), Kenya (Standard Gauge Railway Project), Senegal (Dakar Regional Express Train Project and Dakar–Bamako Standard Gauge Railway Project) and Uganda (Tororo–Gulu and Malaba–Kampala–Pakwach Standard Gauge Railway).

C. Air transport

28. Intra-African air connectivity received a major boost in January 2018, when the Single African Air Transport Market, a flagship project under Agenda 2063 for liberalizing and unifying the African skies, was launched during the Assembly of Heads of State and Government of the African Union at its thirtieth ordinary session. The Transport Market facilitates the free movement of people and goods, and enhances the continent’s integration and connectivity. It is aimed at supporting the Action Plan for Boosting Intra-Africa Trade, AfCFTA and the Protocol on Free Movement of Persons, Right of Residence and Right of Establishment. As of July 2019, a total of 28 member States belonged to the Single African Air Transport Market, covering more than 750

¹⁶ PIDA, “PIDA Implementation through Good Governance – Realizing Smart Infrastructure for Africa’s Integration” (Victoria Falls, Zimbabwe, 26–28 November 2018). Available at https://au.int/sites/default/files/newsevents/conceptnotes/36062-cn-draft_concept_note_-_program_pida_week_2018_081018.pdf.

million people, with slightly more than \$1.5 trillion GDP in 2018 (65 per cent of the continent's GDP).¹⁷ Of those member States, 18 have signed a memorandum of implementation to remove restrictions in existing bilateral air service agreements that are contrary to the Yamoussoukro Decision. In 2018, Africa had handled almost 140 million passengers on an origin–destination basis, which was a 120 per cent increase from those handled in 2013.¹⁸

D. Energy

29. Investment in energy infrastructure is needed for economic growth, poverty reduction and access to affordable energy for all. The share of the population that has access to electricity in Africa has risen from 42 per cent in 2015 to 51 per cent in 2018. The average effective cost of electricity to manufacturing enterprises in Africa is close to \$0.20 per kilowatt-hour, around four times higher than industrial rates elsewhere in the world. PIDA estimated that demand for power would grow annually by 6 per cent until 2040. Installed generation capacity in Africa, around 191 gigawatts in 2016, would have to increase to 446 gigawatts by 2040 to meet the demand.¹⁹ Notable initiatives in energy infrastructure development include: the Ethiopia–Sudan Transmission Interconnector; the Zambia–United Republic of Tanzania–Kenya Transmission Interconnector (to connect the Southern African Power Pool with the East African Power Pool); and the Batoka Gorge Hydroelectric Power Project (between Zambia and Zimbabwe). Other ongoing initiatives include renewable energy projects, which are supported by AfDB through the ARCH Africa Renewable Power Fund.

E. Information and communications technology

30. Mobile and Internet telephone charges in Africa are about four times higher than those in South Asia, and international call prices are more than twice as high. In Africa, 1 gigabyte of data costs nearly 18 per cent of an average monthly income in 2016, compared with only 3 per cent in Asia. Closing the ICT infrastructure gap will facilitate both trade and intraregional and interregional connectivity. Alongside several ICT connectivity projects at the national level, RECs are also making progress in implementing telephone infrastructure, fibre-optic projects and ICT projects. According to the 2018 progress report provided by PIDA, construction has started on the Liberia section of the Freetown–Monrovia–Abidjan Fibre-optic Link Project and Guinea sections of the Bissau–Conakry and Conakry–Bamako Fibre-optic Link Projects in the ECOWAS region. To reduce the cost of payments made to overseas transit carriers to exchange local and continental Internet traffic, the African Internet Exchange Project – which is being implemented under PIDA, with funding from the European Union and Africa Infrastructure Trust Fund – has made progress in establishing Internet exchange points in African countries and regional Internet hubs. By 31 December 2018, 17 Internet exchange points had been established in Africa.²⁰

¹⁷ International Civil Aviation Organization, “The Single African Air Transport Market: Sustainable Regulatory System”, Working Paper (ICAO, 2 August 2019). Available at www.icao.int/Meetings/a40/Documents/WP/wp_186_en.pdf.

¹⁸ African Civil Aviation Commission, “The Single African Air Transport Market (SAATM) Implementation of Concrete Measures: Challenges and Progress” (Kigali, AFCAC, 22–24 July 2019). Available at http://afcac.org/en/images/2019/Meetings/July/kigali/afcac_pptx2.pdf.

¹⁹ PIDA, “PIDA Progress Report 2018” (PIDA, 20 February 2019). Available at <https://www.aupida.org/download/pida-implementation-report-2018/>.

²⁰ New Partnership for Africa's Development Agency, African Union Commission, African Development Bank, “PIDA Progress Report 2017” (Addis Ababa, Abidjan, NPCA, African Union, AfDB, Midrand,

F. Infrastructure for African landlocked countries

31. The 16 landlocked African countries, many of which are low-income countries, have built-in geographic disadvantages that contribute to poor economic, social and even political performance. An estimated 77 per cent of their export value consists of transport costs, which presents a serious barrier to regional and global trade. The Commission, in partnership with regional and global partner institutions, has continued to support landlocked developing countries, in particular under the framework of the 2014 Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024. The Vienna Programme of Action is aimed at responding to the specific needs and problems of landlocked developing countries, due to their remoteness and geographical constraints.

32. In the area of infrastructure financing, landlocked developing countries are benefiting from transboundary infrastructure projects in the sectors of transport, energy and digital communication systems, which all assist them to break down various geographical and logistical barriers to regional integration and trade competitiveness. Transboundary infrastructure projects in various RECs whose geographical scope covers landlocked developing countries continue to receive funding commitments. For example, the Trans-African Highways Programme – which covers several landlocked developing countries and is under PIDA projects – received a funding commitment of \$24 million from Japan. The North–South Power Transmission Corridor (an 8,000 km energy line linking 11 countries in COMESA, EAC, SADC and IGAD, including four landlocked developing countries – Ethiopia, Malawi, Zambia and Zimbabwe) also received a funding commitment of \$12 million from Japan. Similarly, the Northern Multimodal Corridor – a transport corridor passing through six COMESA and EAC countries, including two landlocked developing countries (Burundi and Rwanda) – have received a \$156 million funding commitment from Germany and \$111 million from Japan.²¹

33. The AfCFTA process presents more opportunities to integrate and mainstream the funding needs of the infrastructure of landlocked developing countries into continental and global projects, as well as improve their productive capacities. A regional or corridor approach would help to enhance the bankability of infrastructure development projects in landlocked developing countries, thereby enabling them to have access to infrastructure financing.

VI. Migration and the free movement of people

34. Africa is making progress towards the free movement of people across borders. Economic growth will follow through tourism, trade and investment, human capital mobility, and finding solutions to labour skill gaps and skills mismatch. The Africa Regional Integration Index findings showed that the best-performing dimension of regional integration of five out of the eight RECs was the free movement of people. ECOWAS and EAC are the best-performing RECs on the free movement of people, with scores of 0.733 and 0.664, respectively, while COMESA had the weakest performance, with an average score of 0.385. ECOWAS has in place an ECOWAS passport and no visa requirements. EAC is also implementing its Protocol on Movement and Labour.

2017). Available at www.tralac.org/documents/resources/african-union/1685-pida-progress-report-2017/file.html.

²¹ Infrastructure Consortium for Africa, *Infrastructure Financing Trends in Africa–2017* (Abidjan, Côte d’Ivoire, 2018).

35. Throughout the RECs, progress has been made in liberalizing visa regimes for other Africans. The Africa Visa Openness Report 2019 – Visa Openness Index, produced by AfDB and the African Union, reveals that, in 2019, 25 per cent of Africans did not need visas to travel to other African countries, up from 20 per cent in 2016; Africans can get visas on arrival in 26 per cent of other African countries, up from 24 per cent in 2018; then the percentage of Africans that need visas to travel to other African countries was reduced from 55 per cent in 2016 to 49 per cent in 2019.²² In 2019, eVISA was available in 21 African countries (7 countries in Eastern Africa, 5 in West Africa, 4 in Southern Africa, 3 in Central Africa and 2 in North Africa).²³ During the same year, Eastern Africa had 10 countries among the top 20 countries on visa openness, followed by West Africa with 7 countries, Southern Africa with 2, North Africa with 1, and Central Africa with zero.²⁴

36. Some countries, however, still maintain stringent visa regimes and requirements. Again, most member States are yet to ratify the African Union Protocol on Free Movement of Persons, Right of Residence and Right of Establishment. The Protocol, which was adopted on 29 January 2018, is intended to promote the free movement of people and the ability to establish business and residence in Africa. The Protocol needs 15 ratifications to enter into force, but as of 16 July 2019, it had only 4 ratifications²⁵ and 32 signatures. Meanwhile, ECA has partnered with ECOWAS to harmonize and align the ECOWAS regional framework on the free movement of people with the African Union Protocol to the Treaty Establishing the African Economic Community Relating to Free Movement of Persons, Right of Residence and Right of Establishment.

VII. COVID-19 lessons for health integration/cooperation

37. Health-care cooperation and integration are critical for improving the health and well-being of African people. Health integration is being implemented at continental, regional and national levels, as evidenced by the establishment of many regional cooperation health initiatives. However, the level of synchronization and coordination of these initiatives has impaired effectiveness, including in responding to earlier and ongoing disease outbreaks, such as the 2014–2016 Ebola Virus Disease in West Africa and the unfolding COVID-19 pandemic.

38. The COVID-19 crisis not only revealed deep weaknesses in individual African countries' health systems, but also exposed the continent's low integration into global value chains, including in the area of pharmaceuticals. It also strengthened the case for higher levels of coordinated and integrated responses to international health crises, including mobilizing, adequately resourcing and operationalizing existing continental and regional frameworks and mechanisms, such as the African Medicines Agency. Although the initial instinctive reaction to the COVID-19 pandemic by most African countries was to look inwards and act alone, particularly through national border closures, it was subsequently recognized that greater regional health integration has much potential to enhance coordination and consistency. Such leadership and coordination is currently being provided by the African Union Commission, through the Africa Centres for Disease Control and Prevention, working in

²² Africa Visa Openness Index Report 2019. Available at www.visaopenness.org/fileadmin/uploads/afdb/Documents/visa-openness-2019.pdf.

²³ Ibid., annex 2.

²⁴ Ibid.

²⁵ Rwanda (25 May 2018), Mali (3 May 2019), Sao Tome and Principe (28 May 2019) and the Niger (5 July 2019).

tandem with REC health frameworks such as the West African Health Organization.

39. ECA continued to work with its partners towards showcasing the operationalization of AfCFTA in the health sector, including through the generation of knowledge, and convening of key public and private sector stakeholders. ECA partnered with the African Union Commission, IGAD and Seychelles to conceptualize and roll out the AfCFTA-anchored Pharmaceutical Initiative, built on a three-pronged regional approach: (a) localized production, (b) pooled procurement, and (c) harmonized regulatory and quality framework. An important offshoot of the AfCFTA-anchored Pharmaceutical Initiative is the African Medical Supplies Platform, an online marketplace to enable the supply of good quality COVID-19-related critical medical equipment, in the context of a larger African market and the associated benefits of cost reduction, enhanced transparency and efficiency. The continent, however, continues to face challenges regarding the quality of medicines and medical supplies, heightening the urgency for African Union member States to ratify and operationalize the African Medicines Agency. It is hoped that the Agency will effectively regulate and harmonize medical products so that the continent can mitigate substandard medicines and preserve lives.

VIII. Governance, peace and security

40. Peace and security create environments conducive to the pursuit of regional integration and the attainment of broader continental development objectives. Through their Joint United Nations–African Union Framework for Enhanced Partnership in Peace and Security, signed in April 2017, the United Nations and the African Union have collaborated on conflict prevention, peacekeeping, peace support operations and security, through joint mechanisms and regular consultations and close collaborations with RECs. The African Union has complemented this with the African Governance Architecture and the African Peace and Security Architecture. Also, in 2019, the African Union adopted as the theme of the year, “Silencing the guns in Africa by the year 2020”, with a view to creating conditions (including improved governance) that would facilitate the realization of a conflict-free, integrated and prosperous Africa as envisioned in Agenda 2063. These instruments and efforts have yielded varied and mixed results across the continent and RECs.

41. Given their proximity to local realities, some RECs have intervened to uphold democratic norms and principles, and resolve conflicts, instability, and peace and security challenges. In 2018 and 2020, peace and security challenges were experienced in countries such as Burundi, Cameroon, the Central African Republic, Chad, the Comoros, the Democratic Republic of the Congo, Côte d’Ivoire, Ethiopia, Lesotho, Madagascar, Mali, Somalia, South Sudan and the Sudan.

42. The Commission has continued to contribute towards securing peace, security and stability in the Sahel region through the United Nations integrated strategy for the Sahel. It utilized its convening power to facilitate high-level events in 2018 to provide the policy advice necessary for the implementation of the United Nations Sahel Support Plan (2018–2022), which is meant to assist countries in that region to spur growth, socioeconomic growth and development, and to consolidate peacebuilding and governance efforts.

43. The member States of ECOWAS continue to support the ECOWAS mission in Guinea-Bissau, which was established in 2012 to manage the post-coup transition in that country. In June 2019, during the fifty-fifth ordinary session of the Authority of Heads of State and Government of the Economic Community of West African States (ECOWAS), the mandate of the mission in Guinea-Bissau was extended for a period of six months, from 1 October 2019.

ECOWAS is also supporting peace and security efforts in the Gambia through the ECOWAS mission, established in January 2017 following a political crisis.

44. IGAD has been involved in leading efforts to resolve the wars in Somalia, South Sudan and the Sudan, as well as recently, in Ethiopia. It has continued overseeing the implementation of the Revitalized Agreement on the Resolution of the Conflict in South Sudan, signed in September 2018. Again, IGAD and the African Union had jointly mediated efforts in the Sudan, which successfully led to the formation of an inclusive transitional Government in September 2019. In Somalia, IGAD has been supporting peace efforts to assist with the country's political recovery and supporting Somalia in preparation for its 2020 national elections. The member States of both IGAD and EAC (Burundi, Djibouti, Ethiopia, Kenya and Uganda) are part of the countries contributing troops to the African Union mission to Somalia.

IX. Conclusions and recommendations

45. While progress continues to be made in pursuit of the continent's regional integration agenda throughout the eight RECs, challenges remain that impede the achievement of deeper integration. In particular, most RECs and member States are struggling to achieve progress in the areas of productive integration.

46. To assist RECs to improve their performance on various dimensions of regional integration, the secretariat would want to continue to:

(a) Support RECs in mainstreaming Boosting Intra-African Trade in their programmes and policies;

(b) Strengthen its support of this goal, building on the collaborative work on regional industrialization, as has already been initiated in SADC and ECOWAS;

(c) Broaden its capacity-building programme on the use of macroeconomic and forecasting models in economic planning and development, to empower member States and RECs;

(d) Support the AfCFTA ratification drive and implementation, including through awareness-raising programmes, developing national implementation strategies and doing more analytical work, including on the interface between AfCFTA and RECs' free trade agreements/customs unions;

(e) Encourage RECs and member States to collaborate with development partners in the area of infrastructure financing, with a view to reducing Africa's infrastructure deficit, particularly in Africa's least developed countries and landlocked developing countries;

(f) Support efforts to expedite the ratification of the Protocol on Free Movement of Persons, Right of Residence and Right of Establishment;

(g) Continue working on monitoring regional integration progress and achievement, including refining and strengthening assessment tools, such as the Africa Regional Integration Index, the African Country Business Index, and Assessing Regional Integration in Africa, and other analytical studies on regional integration;

(h) Encourage more African countries to join the Single African Air Transport Market, to facilitate the full implementation of the Yamoussoukro Decision on liberalization of air transport markets in Africa;

(i) Assist African landlocked developing countries in mainstreaming the Vienna Programme of Action into their development plans and strategies, while RECs integrate the same into their programmes of work;

(j) Encourage RECs and member States to ratify and implement the African Charter on Democracy, Elections and Governance; and be part of the African Peer Review Mechanism, with a view to creating a conducive environment for regional integration;

(k) Support the implementation of the Joint United Nations–African Union Framework for Enhanced Partnership in Peace and Security (2017), including through collaboration with RECs.
